

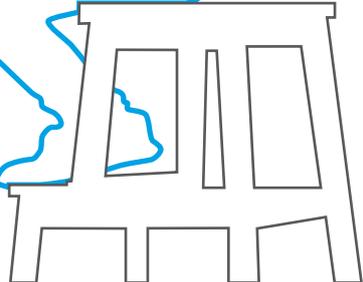


Annual  
2022

# Sustainability Report



MUANGTHAI CAPITAL PUBLIC Co., Ltd.  
#Muangthai Capital Sustainable Organization







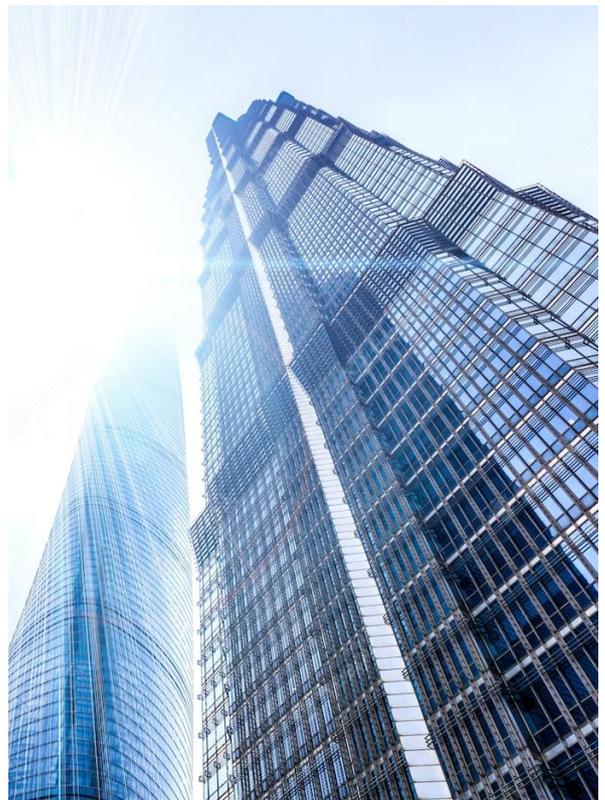
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## Message from the Chairman of the executive committee

For over 30 years, from its establishment to the present, Muangthai Capital Public Company Limited has always been committed to being a sustainable organization, with the realization of the importance of sustainable development that can enhance the quality of life of the people to have good well-being and stability. The company, therefore, develops its operations by concerning factors in economic, social, and environmental dimensions to keep up with social changes and consumer expectations, including adhering to the vision and mission of being the number 1 leader in the microfinance business to be able to conduct business with quality, transparency, and fairness.

In the year 2022, the company has developed the organization towards sustainability through good corporate governance, a comprehensive business development plan, and implementation of the operational framework with the development goal of the organization, including effective risk management throughout the organization. The development of loan products to meet customer satisfaction and enable people to rely on funds. The increase of service areas through branch expansion and applying innovation in work processes to facilitate the people.

The company has also continued to operate for society by encouraging suppliers and all sectors in the organization to treat labor fairly, respect human rights, provide appropriate welfare and compensation, and strengthen safety and occupational health at work. The company also organizes training sessions to increase practical information in operations and services and collect satisfaction assessment data to monitor employees' happiness levels to always be within the specified criteria.

Moreover, the company always operates with environmental considerations by choosing partners who use environmentally friendly products and setting policies and guidelines for the most efficient use of resources. The goal is to reduce greenhouse gas emissions to 0 in the future.

Lastly, as Chairman of the Executive Committee, I would like to thank everyone for always trusting and supporting the company, as well as the executives, personnel, and all stakeholders who help push forward the sustainable development of the company. We will be committed to conducting business with responsibility and be ready to grow sustainably along with Thai society.



**Muangthai Capital Public Company Limited has  
been in the business for over 30 years.**

From a shophouse business to the no.1 leader  
of microfinance business, with the stated slogan

**“ Intimate services like closed familymembers ”**

Muangthai Capital Public Company Limited was established by Mr. Chuchat Petaumpai and Mrs. Daonapa Petumpai on May 22, 1992. Currently, the Company is classified as the Non-bank Financial Institution service provider operating the business in providing Microfinance under the personal loan business license and retail loans for occupation mainly under the supervision of The Bank of Thailand. The company aims to create well-being for the society and allows people to have an opportunity to access funding sources more easily. Especially for those who do not have access to loans from financial institutions to be able to access loan sources more easily and conveniently with appropriate, fair and transparent financial costs. With such principles, it has become a guideline for conducting business on the basis of good corporate governance, giving importance to all groups of stakeholders according to the Company's strategy for sustainable development.

In order to become a "responsible microfinance loan service provider". This means the creation of microfinance loan products that can respond to the development of the country's financial inclusion with responsibility to all stakeholders agreeing with the policy of the Bank of Thailand. At present, the Company focuses on the growth by expanding the customer base through branch expansion to cover all areas of the country. The Company believes that the distribution of financial access to people will help reduce the financial inequality in the country which is the cornerstone of the economic system for sustainable development. As on 31st December, 2022, the Company has 6,668 branches (2021:5,799) located in 75 provinces nationwide.





### Missions

1. The Company must expand the service area to cover the whole country by opening for operation, both the main brance and sub-brances, including the opening of service centers to cover all areas and regions of the country.
2. The company must have the highest market share in each area where the Company operation and the customer base must increase every year.
3. Employees of the Company must conduct performance evaluation based on the highest loan amount per capita in the same business.
4. The Company will focus on the supervision of internal management and use the 20 standard figures as a guideline for operations.
5. The Company will provide customers with quality services and create the highest customer satisfaction.

### Business aims of the company

The company focuses on delivering microfinance loan products considered as corporate governance, society and environment responsible, with excellent service standards and customer-centric. The company also expanded the customer base through branch expansion to cover all the areas of the country and develop a financial inclusion for people who lack access to funding from financial institutions for the ability to access alternative funding sources with fair and transparent financial costs.

### The 5 core values

**Honest**  
**Dedicated to work**  
**Good attitude**  
**Unity**  
**Strict in discipline**

## Company shareholding structure

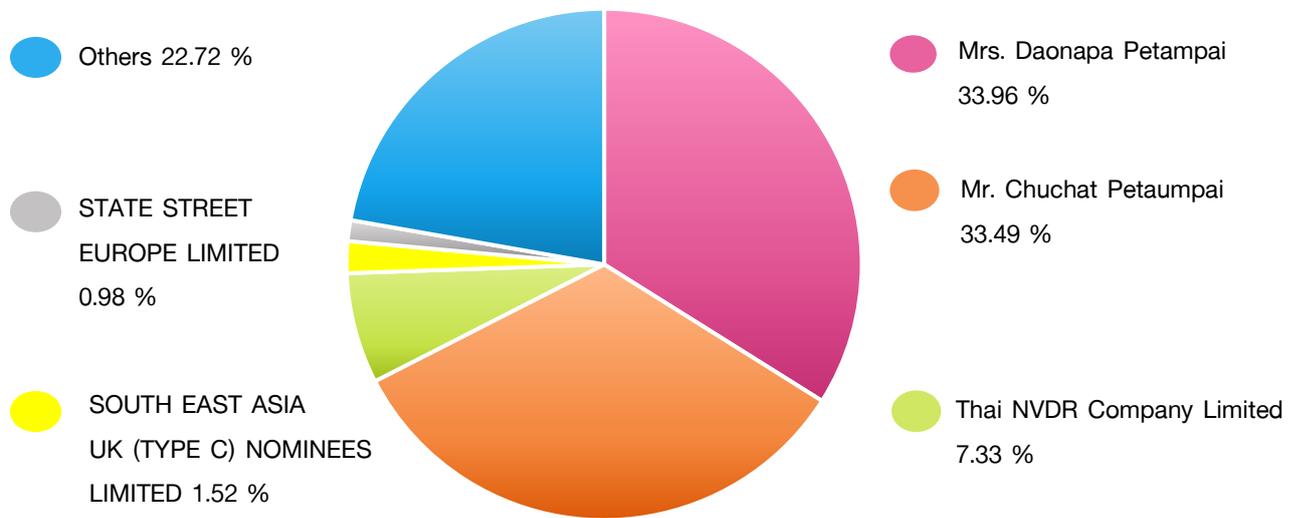


**Muangthai Lesing Company Limited (MTLS)** with a 1,000 million baht in amount of registered capital, provides vehicle registration loans including motorcycles, cars and agricultural vehicles. The customers must bring the original car registration booklet as collateral for loan application. It also provides a personal loan service business for customers who have a good installment history of vehicle registration loans payments with the company before.

**Muangthai Leasing Insurance Broker Company Limited (MTLI)** with a 2 million baht in amount of registered capital, provides non-life insurance brokerage business, including motorcycle, car and personal accident insurance.

**Muangthai Pay Later Company Limited (MTPL)** with a 1,000 million baht in amount of registered capital, provides personal loan services under supervision. The objective is to provide loans for individuals who intend to purchase general products but do not want to pay for products in cash all at once.

### Muangthai Capital Public Company Limited shareholding proportion



No.	Shareholders	Number of shares	%
1	Mrs. Daonapa Petampai	720,000,000	33.96
2	Mr. Chuchat Petaumpai	710,056,400	33.49
3	Thai NVDR Company Limited	155,518,839	7.33
4	SOUTH EAST ASIA UK (Type C) NOMINEES LIMITED	32,348,906	1.52
5	STATE STREET EUROPE LIMITED	20,909,910	0.98
6	THAI LIFE INSURANCE PUBLIC COMPANY LIMITED	19,964,000	0.94
7	InnovestX Securities Company Limited	11,997,400	0.56
8	THE BANK OF NEW YORK MELLON	10,487,049	0.49
9	Government Pension Fund	9,551,200	0.45
10	CITI (NOMINEES) LIMITED-CITIBANK LONDON RE FUND 208	8,208,779	0.38

## Products and Services



### 1. Vehicle registration loan

The company provides vehicle registration loans to general retail customers. There are various types of vehicles as insurance. The customer must deliver the original vehicle registration manual book to the company as a collateral without ownership transfer registration and 24% of maximum interest rate per year.

### 2. Land title deed loans

The company provides credit service with land title deeds. The customer who requests for the credit must deliver the original title deed to the company as a collateral. The company will charge the interest rate of the loan for 15% in maximum per year.

### 3. Personal loan

The company provides unsecured personal loans only to the customers who have a good payment history of a car registration loan with the company. The maximum interest rate will be 25% per year.

### 4. Nano finance loans

The company provides nano finance unsecured loans to the small entrepreneurs customers who have a good payment history of a car registration loan with the company. The maximum interest rate will be 33% per year.

**5. Motorcycle hire purchase loans**

The company provides the loan under Muangthai Leasing Company Limited (MTLS) to operate a new motorcycle hire purchase loan service only to the customers who have a good payment history of a car registration loan with the company.

**6. Non-life insurance brokerage business**

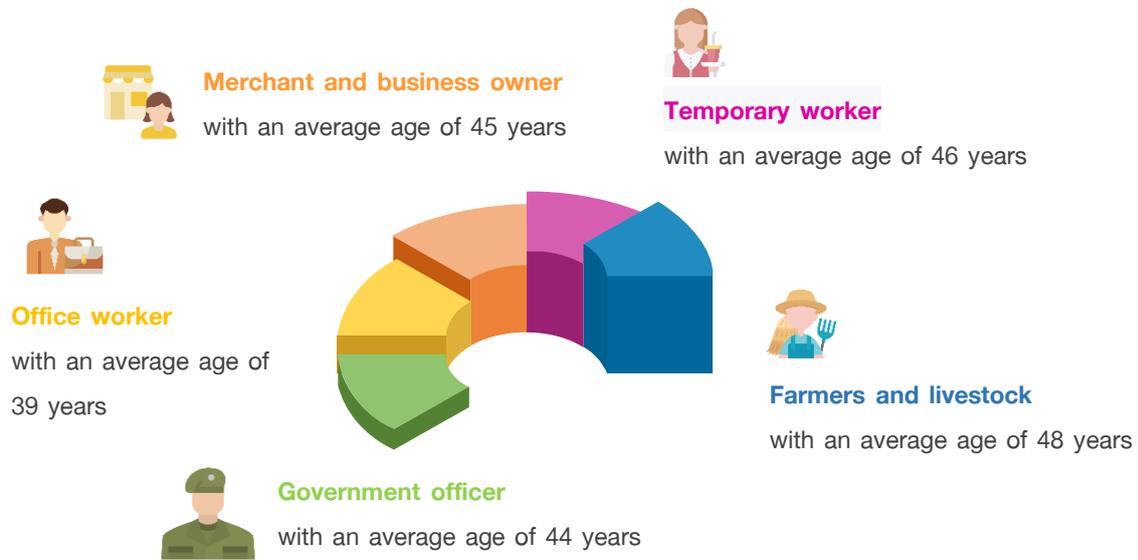
The company provides non-life insurance brokerage under Muangthai Leasing Insurance Broker Company Limited (MTLI) to facilitate customers about motorcycle act, car accidents act, lost car insurance policy and personal accident insurance policy.

**7. Loans for hire purchase of electrical appliances and general equipment**

The company provides credit services under Muangthai Pay Later Company Limited (MTPL) to operate a hire purchase loans for electrical equipment and general equipment such as electrical appliances, agricultural equipment and consumer equipment under the quote “Buy first, pay later”

**Group of customers**

These days, the company has a total of 3,234,042 customers, with an average age of 40-50 years, categorized by occupation as follows:



## Service areas

In 2022, The company expanded 869 of the new branches. It can be divided into 32 branches, 374 sub branches, and 463 service centers. The branches are 14.99% increase from 2021 Including upgraded the status of 261 branches to support and facilitate customers more efficiently.

At present, 2022, the company has a total of 6,668 branches nationwide, divided into 20 districts as follows:

Service areas	Branch number
Phayao	254
Chonburi	435
Saraburi	320
Khon Kaen	374
Nakhon Sawan	457
Yasothon	201
Nakhon Pathom	508
Nakhon Ratchasima	328
Trang	451
Bangkok 1	282
Surat Thani	370
Phitsanulok	456
Udon Thani	423
Bangkok 2	333
Ratchaburi	310
Bangkok 3	285
Surin	264
Chiang Mai	223
Prachin Buri	186
Ubon Ratchathani	207
Auction Center	1
<b>total</b>	<b>6,668</b>

## Performance

### Overview

2022



#### Finance

Total income from operations 20,068 million baht

Net profit from operations 5,093 million baht

Earnings per share 2.40 baht

Amount of outstanding loans 120.613 billion baht

31.37 % Growth



#### Customers

Total number of customers 3,234,042

Customer Satisfaction 83.59 %

Muangthai 4.0 application, total 875,052 items

Application satisfaction score 4.52

Total number of branches 6,668 branches



#### Employees

Total number of employees 13,005

Male 89.63%

Female 10.37%

Proportion of committee who are women 42.86 %

Proportion of committee who are male 57.14 %

Number of incidents of rights violation 0 incidents

Number of accidents during work time total 8 incidents

(Number of lost time injury total 5 incidents)



#### Innovations

Project Paper less with E-Receipt Technology

Circular Economy with 3 R principles

Muangthai Pay Later

Muangthai 4.0 application

## The success of sustainable business operations

The company complies with international standards to corporate governance and apply in the development of organizational management systems to increase investor confidence and consist with the law, practice and aim to upgrade the organization towards sustainability. In 2022, the company received awards and rankings for compliance with good corporate governance principles. Including sustainability awards both domestically and internationally as follows

### SUSTAINABILITY

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The company receives the results of the company's environmental disclosure and performance from CDP at the level of D



The company has been in the list of Thailand Sustainability Investment (THSI) from the Stock Exchange of Thailand for the 4 consecutive years.



The company was rated “AA” in the ESG MSCI Index on the environmental, social, and corporate governance performance in the Consumer Finance factor by MSCI.



The company has applied the Sustainable Development Goals (SDGs) by the United Nations to establish policies and guidelines.



The company has been participating in the ESG rating by S&P global.

### MTC

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The company received the level of Excellent (5stars) for the 5 consecutive years for the results of corporate governance assessment of listed companies on the Stock Exchange of Thailand in 2022 by the Thai Institute of Directors.



The company was awarded in “Thailand Top Corporate Brands 2022” for the 2 consecutive years with the highest corporate brand value in the finance and securities business category.



The company was rated “very good” with a full score of 100 in the 2022 Annual General Meeting of Shareholders Quality Assessment by Thai Investors Association.



The company has been certified as a member of Thai Private Sector Collective Action Against Corruption (CAC).

## 1. Sustainable Organization

The awareness of sustainable organization development importance is the guideline for our organization to operate the business with all dimensions concerned, including economic, social, and environmental aspects. With the principles of good governance for enhancing the quality of life of customers and stakeholders in the value chain, the customers can be living sustainably well-being along with the community including conserving natural resources and the environment.

**1.1 A sustainable materiality assessment** consists of 4 steps as follows



### 1. Identification

- Review of 2021 sustainability issues.
- Compare with international sustainable issues.
- Consider the issues that affect all the stakeholders.
- Discuss the issues with the relevant stakeholders.

### 3. Validation

Summarize the priorities of sustainability issues for the executive committee to consider the accuracy of sustainability issues. For acknowledgement and comments to bring sustainability issues to the public.

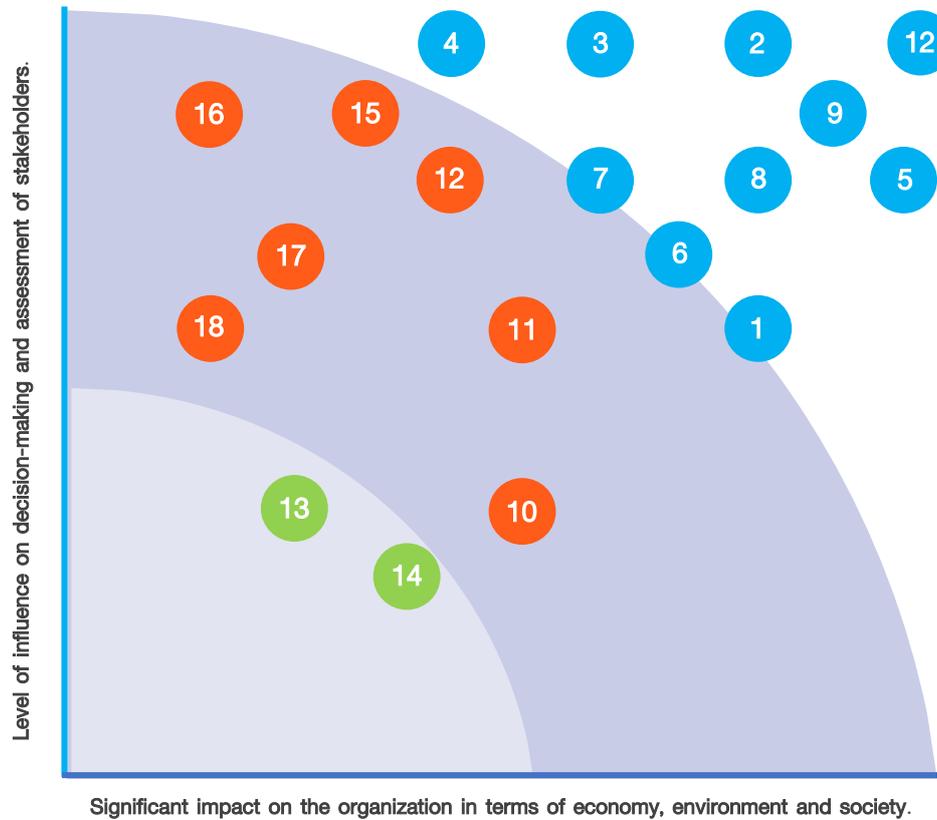
### 2. Prioritization

Analyze and consider information from discussions with all stakeholders, including prioritizing sustainability issues that are important to the Company's business operations by considering in order of importance in 2 parts.

### 4. Review

Review processes and key sustainability data after publishing the report to all stakeholders to receive their opinions and suggestions for further improvement of the report.

### Sustainable materiality assessment result



#### High stakeholders interests

1. Understanding of sustainable organizational development of personnel in the organization
2. Good corporate governance
3. Risk Management
4. Meeting stakeholder expectations
5. Anti-corruption
6. Human resource management
7. Promote social projects (CSR)
8. Air pollution, greenhouse gas emissions
9. Development of ESG performance to international level
12. Provide funding sources

#### Medium stakeholders interests

10. Employee Satisfaction
11. Customer Satisfaction
15. Development of financial products
16. Disclosure
17. Human Rights
18. Occupational health

#### Low stakeholders interests

13. Use resources efficiently
14. Training to provide knowledge to employees

## Progress of performance towards sustainability 2022

The Company has identified 18 important issues and goals for sustainable development as follows:



### Economic

<b>1. Understanding of sustainable development</b> Build understanding across the organization	<b>Target</b> 100%  <b>Result</b> 80%	<b>3. Risk Management</b> Covering all dimensions	<b>Target</b> 100%  <b>Result</b> 80%	<b>5. Anti-corruption</b> Corruption incidents	<b>Target</b> 0  <b>Result</b> 0
<b>2. Good corporate governance</b> Disclose operating results transparently	<b>Target</b> 100%  <b>Result</b> 100%	<b>4. Meeting stakeholder expectations</b> covering every group	<b>Target</b> 100%  <b>Result</b> 100%	<b>6. Human resource management</b> resignation rate	<b>Target</b> 20%  <b>Result</b> 16%



### Social

<b>7. Promote social projects (CSR)</b> The beneficiaries from the project	<b>Target</b> 10,000 persons  <b>Result</b> More than 10,000 persons	<b>10. Employee Satisfaction</b> satisfaction assessment	<b>Target</b> 80%  <b>Result</b> 81.98%	<b>14. Training to provide knowledge to employees</b> Training hours per person	<b>Target</b> 6 hours  <b>Result</b> 11.24 hours
<b>15. Development of financial products</b> Develop products to meet the needs of customers.	<b>Target</b> 100%  <b>Result</b> 70%	<b>11. Customer Satisfaction</b> satisfaction assessment	<b>Target</b> 80%  <b>Result</b> 83.59%	<b>17. Human Rights</b> no incident	<b>Target</b> 0 incident  <b>Result</b> 0 incident
<b>16. Disclosure</b> Disclose information in accordance with international standards.	<b>Target</b> 100%  <b>Result</b> 100%	<b>12. Provide funding sources</b> not affect to liquidity	<b>Target</b> 100%  <b>Result</b> 100%	<b>18. Occupational health</b> Lost Time Injury	<b>Target</b> 0 injury  <b>Result</b> 5 injury



### Environment

<b>8. Air pollution, greenhouse gas emissions</b> Compare to loan	<b>Target</b> Decreases 10%  <b>Result</b> Decreases 10.71%	<b>9. Development of ESG performance to international level</b> Every scope together	<b>Target</b> 60%  <b>Result</b> 60%	<b>13. Use resources efficiently</b> resource utilization efficiency	<b>Target</b> Increase 10%  <b>Productivity</b> Increase 2.76%
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\* Comparison between Intensity of 2021 equals 0.28 and 2022 equals 0.25 (Intensity = Emission / Loan)

### Sustainability Issues

Sustainability issues	Stakeholders	Details	Impacts	SDGs
<b>1. Understanding of sustainable organizational development of personnel in the organization</b>	employees/ executives board of directors/ committees	sustainable organization development.	-The operations in the organization are going in the same direction.	 
<b>2. Good corporate governance</b>	employees/ executives board of directors/ committees	corporate governance process.	- Competitive ability and adaptation under the changing factors.	 
<b>3. Risk Management</b>	customers/ employees/ executives board of directors/ committees/ shareholders/ investors/ creditors/business partners/ business competitors/ community and society/ regulatory body	risk management process.	- Helps the organization to achieve its goals, including reducing obstacles in work.	  
<b>4. Meeting stakeholder expectations</b>	customers/ employees/ executives board of directors/ committees/ shareholders/ investors/ creditors/business partners/ business competitors/ community and society/ regulatory body	Stakeholders Management	-Able to define business-related issues -Acknowledge the impact that the company has on stakeholders.	     
<b>5. Anti-corruption</b>	employees/ executives board of directors/ committees/ shareholders/ investors/ creditors/business partners/ regulatory body	anti-corruption	- operate business with transparency and fairness to build investor confidence.	  
<b>6. Human resource management</b>	employees/ executives board of directors/ committees	Human Resource Management	able to conduct business efficiently.	 
<b>7. Promote social projects (CSR)</b>	customers/ employees/ executives board of directors/ committees/ shareholders/ investors/ creditors/business partners/ business competitors/ community and society/ regulatory body	social operations / CSR	- Create shared values with society - Enhance the quality of life for the community	    
<b>8. Air pollution, greenhouse gas emissions</b>	community and society	environmental operations	- reduce carbon emissions into the atmosphere	   
<b>9. Development of ESG performance to international level</b>	employees/ executives board of directors/ committees/ shareholders/ investors/ business partners	Policy and strategic framework for operations	- Develop operational processes towards the sustainability	  

Sustainability issues	Stakeholders	Details	Impacts	SDGs
<b>10. Employee Satisfaction</b>	employees/ executives board of directors/ committees	MTC Employees Satisfaction	- Improve compensation, welfare, as well as the environment and safety of employees appropriately.	   
<b>11. Customer Satisfaction</b>	customers	MTC customers Satisfaction	- Improve operational processes and products that meet customer needs.	   
<b>12. Provide funding sources</b>	employees/ executives board of directors/ committees/ shareholders/ investors/ creditors/regulatory body	Policies and Guidelines on Stakeholders	- Reduce the risk of liquidity shortages.	  
<b>13. Use resources efficiently</b>	employees/ executives board of directors/ committees/ business partners/ community and society	Effective resource management policy	- Utilize resources wisely.	  
<b>14. Training to provide knowledge to employees</b>	employees/ executives board of directors/ committees	employees training and development	- Increase the potential of personnel within the organization - Raise the potential of business competition	 
<b>15. Development of financial products</b>	customers/ employees/ executives board of directors/ committees/ shareholders/ investors/ business competitors/ regulatory body	Business innovations for society and the environment	drive business towards growth Including building the ability to compete.	  
<b>16. Disclosure</b>	customers/ employees/ executives board of directors/ committees/ shareholders/ investors/ creditors/business partners/ business competitors/ regulatory body	public disclosure	- Operate business with transparency and fairness to build investor confidence.	 
<b>17. Human Rights</b>	customers/ employees/ executives board of directors/ committees/ shareholders/ investors/ creditors/business partners/ business competitors/ community and society	Implementation of human rights in the organization	Reduce conflicts that may have a continuing impact on business operations.	  
<b>18. Occupational health</b>	employees/ executives board of directors/ committees	raise an awareness of safety in work	- Safety in work throughout the process of operation.	



**01** “Raise awareness of the importance and promote organizational development for sustainability to all sectors to apply in their work processes, also drive business according to the policy framework that concerns economic society and environmental impacts.”

**Strategies and Frameworks**

1. Set up a Sustainability Supervision Committee who is responsible for setting policies, frameworks, and business development plans towards sustainability.
2. State the policy and framework approved by the Board of Directors, including understanding the business development plan towards sustainability with the management department, department representatives, district representatives, branch managers and all levels of employees.
3. Encourage all departments to take part in driving sustainability work. Assign responsible persons of each department together as a working group in order to drive every sector of the organization.
4. Establish a website to disseminate information and provide knowledge and understanding about sustainable work, including collecting sustainability data from branches systematically for analysis and developing sustainability work efficiently.
5. Provide training to educate new employees on the topic of sustainable development.

# 02

“Operate business with good governance. as well as good corporate governance of the Board of Directors to establish a code of conduct for employees, executives and the Board of Directors that is strictly upheld.”

## Strategies and Frameworks

1. Revise the “Corporate Governance and Business Code of Conduct Handbook” to be complete and comprehensive in order to be used and to track the performance of related departments more easily and clearly, including establishing a framework for operations in line with the Sustainable Development Goals.
2. Implement the "Corporate Governance and Business Code of Conduct Handbook" to concretely apply in the Company's operations. The responsibilities are divided according to the involved departments or appointed a working group to determine work guidelines, supervise, inspect, follow up and report results in accordance with the organization's ethics.

# 03

“Establish risk management that will happen to the organization to cover all dimensions in terms of policies, operation process and other external factors. Also provide a prevention plan and preparation for the risk aspect.”

## Strategies and Frameworks

1. Prepare a risk management form related to a comprehensive management process. Establish the working group and assessment to identify issues, lead to planning, coping with risks, monitoring and reporting results to develop plans to be effective continuously.
2. Organize workshops to enable all departments to participate in risk determination, propose a preventive approach, and establish a working group suitable for the operation.
3. Implement risk operations by simulating real situations. With an appropriate frequency, in order to be prepared to promptly deal with potential risks efficiently.



# 04

“Establish a system and process to promote cooperation between the company and all groups of stakeholders to create understanding and effectively meet the expectations of stakeholders, reduce negative impact as well as create valuable positive impacts throughout the business chain.”

## Strategies and Frameworks

1. Promote and increase access channels to stakeholders, listen and share ideas constructively.
2. Gather problems and needs of stakeholders as well as assessing ways to solve problems and develop the organization to create shared value between business and stakeholders.
3. Communicate and create understanding regularly with stakeholders by setting methods, formats and sequence of steps to suit the stakeholder group.



# 05

“Against corruption in all its forms, systematically problems management, set a strategy for protection, operation, remedial measures and guidelines for the prevention of recurrence effectively and concretely, as well as the disclosure of information with transparency and verifiability in order to build confidence and prevent damage to the company.”



## Strategies and Frameworks

1. Establish a whistle-blowing channel that can be easily accessed and also launch the informer protection measures, verification process and respond to every clue that has been notified with transparency and fairness.
2. Demonstrate the intention to oppose all forms of fraud and corruption both directly and indirectly. The demonstration could be in a writing form to inform the relevant departments.
3. Establish a training and development plan for employees on morality and ethics.

# 06

“Encourage the management of human resources, which is the main department in driving efficient operations in line with the current social changes. In order to create value for the business, in terms of treatment, search and development, as well as welfare, safety and occupational health at work.”

## Strategies and Frameworks

1. Increase the limit for recruitment by various positions, collect job applicant information, plan recruitment to suit the needs of workers in the organization.
2. Plan a comprehensive annual training program with suitable content for the position, also prepare a definition and evaluation according to training success indicators.
3. Improve payroll management to be more efficient.
4. Arrange for an accurate, precise and fair performance assessment of employees in the organization.
5. Prepare work plans and relationship building activities along with a questionnaire to assess the engagement with the organization.
6. Establish the labor welfare committees to supervise labor contract execution and compliance with labor protection laws.
7. Establish the welfare committees to listen to opinions or problems related to labor of employees and find solutions together.

# 07

“Encourage non-profit social activities, instill awareness and create responsibility in business operations that are beneficial to the surrounding society and contribute to a happy society.”



## Strategies and Frameworks

1. Promote and develop the potential of the people in a sustainable way with the transfer of knowledge, technology and development for business expansion.
2. Raise public awareness by encouraging employees in the company to play a role in helping society.
3. Continue social projects as appropriate.
4. Distribute a good quality health care system thoroughly.

# 08

**“Operate the business by using resources for maximum efficiency, reducing negative impacts on the environment at the organizational regional and global level, support operations to reduce emissions that affect global warming and set goals to become a Net Zero organization, as well as pushing for the importance of environmental preservation among employees, customers, partners and other stakeholders of the organization.”**

## Strategies and Frameworks

1. Collect energy consumption data of each district to make a comparative monthly energy consumption report at the meeting. Including explaining the amount of energy consumption that increases beyond the specified values.
2. Study a centralized procurement approach, use products with Green Product Certified and apply clean technology in the process of operations.
3. Prepare an environmental manual to educate and raise an awareness of employees.
4. Comply with environmental law requirements.
5. Promote environmental sustainability within the supply chain.
6. Regulate climate change by studying practices to reduce the amount of greenhouse gas emissions in the organization in accordance with international standards.

# 09

**“Develop ESG performance to a global level for investment support and global competition. Including the disclosure of standard sustainability information accepted by various institutions of listed companies.”**

## Strategies and Frameworks

1. Incorporate ESG performance as part of the executive performance evaluation to drive organizations and employees to be aware of an importance and make more contributions to ESG.
2. Raise the level of assessment responses to cover all dimensions, improve business operations to be in line with the guidelines and goals of international standards.
3. Upgrade the organization by joining as a member of DJSI to demonstrate the potential in management or business operations with the good returns generate and build trust among investors around the world.
4. Develop and update the organization's ESG data to be more current and comprehensive for the disclosure to all external channels such as annual reports, sustainability reports and websites.
5. Prepare a business development plan for sustainability as a standard for the organization to set policies, strategies, and goals for sustainability to raise the personnel of each department to be aware and have guidelines for consistent operations.
6. Encourage innovation to be able to drive sustainability more effectively and in accordance with current changes.

## Business development plan for sustainability

To operate the business along with society and environment, the committees have launched the business development plans for the year 2017-2032 as follows

### Foundation for Sustainability (2017-2022)

the company will continue to remain as a leader of a microfinance business with target for loan portfolio growth of more than 20% through the opening of more than 700 branches and expanding branches to cover sub-district level, NPL control of less than 3%, establish a business driving structure for sustainability, disseminate policy directions, strategies, guidelines, and preparing them as manuals for all departments in the organization to implement as well as be prepared in terms of sufficient resources and in accordance with the operational plan.

### Driving Sustainability (2023-2027)

drive business operations to respond to sustainability issues, improve risk management by constantly reviewing the results and improving the process, encourage employees to show their full potential, avoid blocking an operation of employees to increase a higher productivity and the ability of promptly adaptation through the various forms of change, develop an innovation to reach more customers and also able to meet the customer needs by using resources efficiently, reducing carbon footprint emissions.

### Sustainable Development (2028-2032)

increase the economic value by maintaining the level of growth in accordance with the target Maintaining standards in business operations, strictly credit approval process, effective debt collection process, decrease the losses, establish a good corporate governance system, create shared value in economic, social and environmental aspects for all stakeholders along the value chain.

### Aiming for a sustainable organization

In 2032, the company will be able to drive a business toward sustainability with full efficiency and be able to create shared value with stakeholders as well as bring good quality of life back to society.





## 1.5 Corporate Governance and Sustainability



## Scope of authority and responsibility

### 1. Governance and Sustainability Committees

- 1.1. Determine, review and improve the policy framework, strategies and goals, including management related to sustainability in Company's business operations annually to comply with international guidelines.
- 1.2. Suggest requirements on ethics in the Company's business operations and sustainable development guidelines, including the code of conduct of executives and employees.
- 1.3. Consider and approve relevant projects, including promoting and supporting various activities such as labor and employee management, community promotion and development projects, etc.
- 1.4. Supervise, review, follow up and evaluate sustainability performance.
- 1.5. Report progress and performance on corporate governance and sustainability to the Board of Directors.
- 1.6. Review and propose to the Board of Directors. to consider amending the scope of authority duties and responsibilities of the Corporate Governance and Sustainability Committee in accordance with the situation.
- 1.7. Appoint a working group to proceed in accordance with the policy.
- 1.8. Approve any other annual sustainability reports assigned by the Board of Directors.

### 2. Chairman of the working group

- 2.1. Drive action in all sectors of the operational process.
- 2.2. Receive reports from the working group, review and consider the results of operations. report to the board.
- 2.3. Approve the project budget received from the working group.
- 2.4. Determine the main goals of operations at the operational level.

### 3. Secretary of the Working Group/Sustainability Department Manager

- 3.1. Coordinate with relevant departments.
- 3.2. Report the results of operations at the operational level to the chairman of the working group.

### 4. Working group

- 4.1. Meeting to plan, determine measures and follow-up processes.
- 4.2. Report on performance.

# ECONOMIC

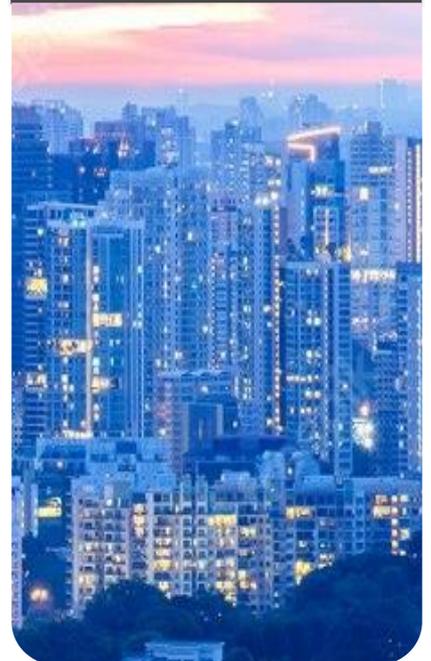
Follow good corporate governance standards, conduct business with good governance and comprehensive risk management, encourage innovations, and consistently achieve value for the business.



## Good Corporate Governance

Good corporate governance and considering stakeholders equitably

Improve business value, enhance shareholders and investors confidence, increase competitiveness, and establish shared values with stakeholders.






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## Effective Risk Management

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**Establish efficient risk management.**

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Establish an effective risk management strategy to prevent incidents that may affect business objectives.




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## Take Care Stakeholders

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**Consider stakeholders and treat them equitably.**

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Creating shared values with stakeholders while preventing all aspects of the impacts by providing engagement channels and treating equitably.




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## Develop Innovation

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**Commitment to business innovation development**

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Increase competitiveness, improve quality of life, and create potential and business growth.



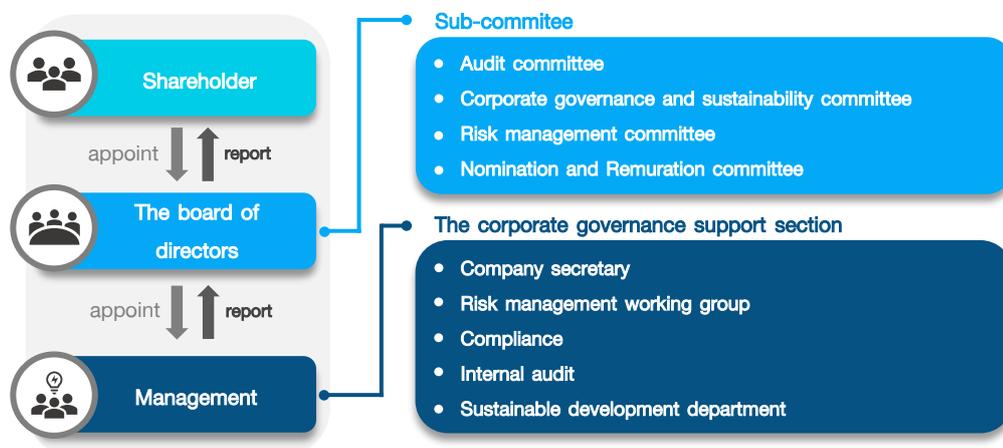
## 2.1 Good corporate governance



To achieve good corporate governance, the company manages to have a good structure and business management system, as well as a strong relationship between the board of directors, management, shareholders, and other stakeholders so that business can be conducted with transparency and verifiable complying to the correctness, treating stakeholders equitably, transparent disclosure of information, responsibility for duties and accountability for performance. Good corporate governance can increase the value of a company, investors and shareholders confidence, boost competitiveness, encourage shared values among stakeholders, and avoid negative environmental effects in both short and long term.

### 1. Corporate Governance Structure

Consist of shareholders, the board of directors, and management. **Shareholders** with the right to own the business by appointment of the board of directors to operate on their behalf and has the right to make decisions about significant changes to the company. **The Board of directors** represents the shareholders in determining the organization's direction, appointing and supervising **Management** who have the vision, knowledge, ability, and ethics to lead the company and meet stakeholders' expectations.



## 1.1 Shareholders

Shareholders have the right of ownership the Company by appointing the board of directors to perform their duties as well as the authority to make decisions about significant changes to the Company. As a result, various operating guidelines have created to encourage shareholders to exercise their rights, demonstrating regard for shareholders' basic rights.



### Shareholder benefits

- ✓ Buying/selling/transfer of share
- ✓ Shareholder meeting
- ✓ Appointment/demotion/determine the remuneration for the board directors
- ✓ Appointment/determine the remuneration for auditor.
- ✓ Vote in approval at the meeting
- ✓ Acknowledge important corporate information and news accurately, completely, sufficiently, and on time.
- ✓ Share your opinions and ask any questions.

### Shareholders meeting

The annual General Meeting of Shareholders will be held within four months of the end of the fiscal year of the company. However, if there is an urgent need to consider special agendas that could affect or relate to the interests of shareholders, which requires shareholder approval. On a case-by-case, the board of directors may convene an extraordinary meeting of shareholders.

การเชิญชวนให้ผู้ถือหุ้นของบริษัทฯ  
เสนอระเบียบวาระการประชุม และเสนอข้อบุคคล  
เพื่อรับการพิจารณาเลือกตั้งเป็นกรรมการบริษัท  
ในการประชุมสามัญผู้ถือหุ้น ประจำปี 2565

Send invitations via the website.

At the 2022 annual general meeting of Shareholders, there were approval and determination of remuneration for directors and sub-committees based on the company's sustainability performance responsibilities, including a comparison survey with references to other companies in the same industry that have similar size and nature of business. It was found that the remuneration paid was close to the overall average.

In organizing this Annual General Meeting of Shareholders, the Company has complied with the guidelines of the quality assessment Program for the Annual General Meeting of Shareholders (AGM Checklist) prepared by the Thai Investors Association to ensure that the organization meets the standards according to the principles of good corporate governance as follows:

1. The Company must send documents to shareholders to acknowledge the date, time, venue, and agenda. As well as all relevant information to all shareholders at least 30 days in advance and must be published on the Company's website before delivering to Thailand Securities Depository Company Limited the Company's share registrar. Invitation letter to the shareholders' meeting and supporting documents to all shareholders at least 7 days in advance of the meeting date.
2. The company must allow shareholders to submit questions in advance of the meeting date during October - December of every year and by the criteria set by the company, which published on the company's website at [www.muangthaicap.com](http://www.muangthaicap.com)
3. In the event that shareholders are unable to attend the meeting in person, the Company allows shareholders to appoint an independent director or any person as their proxy to attend the meeting on their behalf and to nominate at least 1 independent director as an alternative for proxy of shareholders.
4. The Company does not change or add agenda items without informing stockholders in advance.
5. The Board of Directors encourages the use of voting cards for every agenda, including the agenda for the appointment of individual directors for transparency and accountability.
6. The company shall facilitate shareholders to fully exercise their rights to attend and vote by holding meetings on business days at hotels in Bangkok or the company's meeting rooms. Provide sufficient technology for document verification and stamp duty for shareholders who are proxies.
7. The Company prepared separate ballot papers for each agenda for the convenience of voting and vote counting and announced the total votes immediately on the meeting day.
8. The Company takes no action that would deprive stockholders of their right to attend meetings. Every shareholder has the right to attend the meeting and ask questions throughout the meeting time. as well as freely express opinions.
9. When the meeting begin, the directors, including executives, auditors, and independent legal advisers. Before the meeting begins, the company will clarify all meeting-related rules, such as the meeting's opening and voting, as well as how to count the votes of the shareholders who are required to vote on each agenda according to the company's regulations.
10. The company specifies the interests of the directors in the meeting invitation letter. If any director has stakes or involvement in any agenda. The chairman of the meeting or the company secretary will inform the attendees before considering the agenda. Directors with vested interests will not attend the meeting on that agenda.
11. The Company allows shareholders to volunteer to act as witnesses in vote counting for transparency, as well as allowing shareholders to inquire about the voting process and method.

12. Encourage meeting attendees to exercise their rights to protect their interests by asking questions, expressing their opinions, giving suggestions, and jointly voting on important matters that may affect the Company, such as appointments or removal the directors, nominating a person to be an independent director, approval of appointment and remuneration of auditors, dividend allocation capital, reduction or capital increase Determination or amendment of the Company's Articles of Association, Memorandum of Association and approval of special transactions, etc.
13. Arrange for an assessment of the quality of meeting preparations based on the responses to the shareholder evaluation form to improve the efficacy of meeting preparation to make them more efficient, transparent, and beneficial to shareholders.
14. Display of important company information around the shareholder meeting, including the establishment of an investor relations area where company officials greet and answer various questions from shareholders.

In 2022, the Company held a meeting of shareholders at Pinklao 2 Room, Royal City Hotel, Bangkok Noi Subdistrict, Bang Phlat District, Bangkok on April 19 with the details of the number of shareholders attending the meeting as follows:

Attend the meeting in person	47	person representing	1,439,378,514	shares
Authorize the attorney	1,136	person representing	347,796,316	shares
<b>Total</b>	<b>1,183</b>	<b>person representing</b>	<b>1,787,174,830</b>	<b>shares</b>
		<b>Calculated as</b>	<b>84.30%</b>	

At this meeting, personal data protection was announced for the Annual General Meeting of Shareholders according to the Personal Data Protection Act B.E. 2562 to emphasize and pay attention to personal data, shareholders, and attorneys. Details are as follows:

 <b>Collecting Data</b>	 <b>Objective</b>	 <b>Storage Period</b>	 <b>Disclose and transfer</b>	 <b>Data subject right</b>
<ul style="list-style-type: none"> <li>• Personal</li> <li>• Health information</li> </ul> <p><b>Note</b> The company does not collect religious information</p>	<ul style="list-style-type: none"> <li>• Shareholders meeting</li> <li>• Meeting minutes</li> <li>• Identity verification</li> <li>• Screening people at risk for COVID 19</li> </ul>	<ul style="list-style-type: none"> <li>• Personal ; 10 years</li> <li>• Health ; 6 months</li> </ul>	<p>The company will only disclose information that is required and sufficient to achieve the objectives.</p>	<ul style="list-style-type: none"> <li>• Right to withdraw consent</li> <li>• Right to object</li> <li>• Right to update</li> <li>• Right to erasure</li> <li>• Right to data portability</li> <li>• Right to access</li> </ul>

## 1.2 The board of directors



The Board of Directors was elected by the shareholders to oversee all aspects of the company's operations, including directing, approving, and ensuring that the business is by the plan. Furthermore, the board of directors is responsible for selecting the Chief Executive Officer along with other high-ranking executives, as well as assuring efficient succession.

Based on these duties, the company has a strategy of selecting directors with diverse experiences and abilities, as well as the required qualifications such as honesty , professionalism as well as the ability to ask questions for analytical understanding of the company's business independently.

In addition to stipulating that the chairman is not a senior executive, the chairman must also be an independent director to ensure that checks and balances between the Board of Directors and the management are appropriately established. In addition, the Board of Directors has separated the roles and responsibilities of the Board of Directors from the executives.

### Appointment, election and removal of directors

1. The shareholders, by resolution of the shareholders' meeting, determine the number of persons who will hold the position of the Company's directors from time to time. The number of directors shall not be less than 5 persons, with not less than half of the total number of directors must reside in Thailand and having Thai nationality as required by law.
2. Voting for the election of directors shall follow the rules and procedures stipulated in the Company's regulations.
3. The person who is a director can only be appointed or withdrawn by the shareholders in the shareholders' meeting. (except in the case of a vacancy due to reasons other than retirement by rotation.)
4. The shareholders' meeting may pass a resolution removing any director from office before the expiration of the term with a vote of not less than three-fourths of the number of shareholders attending the meeting and having the right to vote. And the total number of shares held is not less than half.

For the nomination of the Executive Chairman and senior executives, the Nomination and Remuneration Committee will consider selecting and screening persons with appropriate abilities and qualifications. The basic factors used for consideration are qualifications, knowledge, competence, and experience in the Company's business. Those who are selected for the position should have the same management concept and vision as the Board of Directors to achieve the organization's goals. The Chief Executive Officer and the Board of Directors must trust each other as well as have close coordination. The Nomination and Remuneration Committee will nominate the selected person to the Board of Directors for consideration and appointment.



The Nomination and Remuneration Committee has reviewed the criteria for nomination of directors and the Board Skill Matrix annually to ensure that the Board of Directors has a variety of elements according to best practice.

### Qualifications of Directors

1. Complete qualifications and no prohibited characteristics according to relevant rules and laws, namely
  - Public Limited Companies Act
  - Securities and Exchange Act
  - The Office of the Securities and Exchange Commission
  - The Securities Exchange of Thailand
  - Company's regulations
  - The company's good corporate governance principles
2. Knowledge, skills, and experience that can be helpful and appropriate to the nature of the business's operations.
3. Perseverance and ability to fully devote time to perform duties according to their responsibilities. The recruitment of senior executives and recruitment of directors must strictly comply with the rules of relevant laws and regulations of regulatory bodies with regard to qualifications with knowledge and competency appropriate to the culture, mission, vision, and values of the organization. The nomination of directors will have a clear and transparent process. And following the principles of good corporate governance can be examined.



The Board Skills Matrix is a tool for defining and examining board qualifications for recruitment, including Accounting, Management, and Strategic Human Resource Management, Information Technology Development, and Risk Management.

As of December 31, 2022, there are 7 directors as follows:

- |    |                            |  |
|----|----------------------------|--|
| 1. | Adm.Apichart Pengsritong   | Chairman of the Board of Directors, / Chairman of the Nomination and Remuneration/ Independent Director                    |
| 2. | Mr. Chuchat Petaumpai      | Chairman of the Executive Committee / Risk Management Committee / Director   |
| 3. | Mrs. Daonapa Petampai      | Managing director / Director   |
| 4. | Mrs. Kongkaew Piamduaytham | Chairman of the Audit Committee / Chairman of the Corporate Governance Committee / independent director                    |
| 5. | Mrs. Nongnuch Dawasuwan    | Audit Committee / Risk Management Committee / Corporate Governance Committee / independent director                        |
| 6. | Mr. Suchart Suphayak       | Chairman of the Risk Management Committee / Audit Committee / Nomination and Remuneration Committee / independent director |
| 7. | Dr. Suksit Petampai        | Nomination and Remuneration Committee / Corporate Governance Committee / Director  |

Divided into 4 males and 3 females. The Chairman of the Board is an independent director and is different from the company's leader. The proportion of directors can be explained as follows

Independent Directors 4 persons	representing 57.14%
Executive Directors 2 persons	representing 28.57%
Non-Executive Directors 2 persons	representing 71.43

### Independence of the board of Directors from the management

The Board of Directors shall consider, express opinions and vote on matters for which the Board of Directors has decision-making powers. If the directors are under pressure from the position or family or have interests, it will distort the decision to judge in favor of oneself, one's close friends, or for one's own benefit. Therefore, the independence of directors is a matter of great concern to protect the interests of shareholders. Directors who lack independence should not be responsible for making decisions.

The Board of Directors and the management have clearly separated roles, duties, and responsibilities to enable checks and balances and review of management. The Board of Directors will consider and approve the overall policy such as vision, mission, and operational strategy. corporate governance policy and overall financial objectives to achieve the objectives and goals, including monitoring, evaluating, and overseeing the reporting of performance, while management is responsible for administering the policies set by the Board of Directors.

## Qualifications of independent directors

1. Holding shares not exceeding 0.5 percent of the total number of shares with voting rights of the Company and its subsidiaries.\*
2. Not being or used to be a director who takes part in management or an advisor who receives a regular salary or controlling person of the company.\*
3. Not being a person related by blood or by legal registration of executive or controlling person.
4. Not having or never having a business relationship and shareholders of the company or controlling person\* in a manner that may interfere with his independent judgment.
5. Not being or used to be an auditor and a significant shareholder of the company's audit firm or a controlling person.\*
6. Not being or having been a professional service provider and a significant shareholder, including legal and financial advisory services, receiving service fees of more than 2 million baht per year from the company or a controlling person.\*
7. Not being a director who has been appointed as a representative of the company's directors, major shareholders or shareholders who are related to major shareholders.
8. Not operating a business that has the same nature and is in significant competition with the business of the Company, or not being a significant partner or being a director who takes part in employee management. Advisors who receive regular salary or who hold more than 1% of the total number of voting shares of a company engaged in a business of the same nature and in significant competition with the business of the company or its subsidiaries.
9. Not having any characteristics that make him unable to express independent opinions on the operations of the company.

\* Unless he or she has retired from such a position for at least 2 years. Such prohibited characteristics do not include the case where the independent director used to be a civil servant or advisor to a government agency who is a major shareholder or a controlling person.



## Roles and responsibilities of the board of directors

1. Have the authority and responsibility to manage following the law, objectives, and regulations, as well as the resolutions of the shareholders' meeting with honesty and carefulness to protect the interests of the Company.
2. Prepare an annual report, balance sheet, profit-loss statement at the end of the accounting period to present to the shareholders' meeting for consideration and approval to show the financial status and operating results of the previous year.
3. Set the vision, mission, policy, strategy, and goals of the Company. And to consider and approve the direction of business operations for the management to use in preparing business plans, support plans, and annual budgets.
4. Arrange for independent discussions and opinions of the management to determine the direction of the organization and be prepared to cope with situations that may change in economic conditions and other environments.
5. Continuously follow up on the operations following the policy and budget plans.
6. Set up an appropriate and efficient accounting system, financial reporting, and reliable auditing, including setting up an internal control system and an internal audit system that is sufficient and appropriate.
7. Establish a risk management policy to cover the entire organization and supervise the establishment of a system or process for risk management with supporting measures and control methods to reduce the impact on the Company's business appropriately.
8. Determine policies on social, community and environmental responsibility, including providing guidelines for the Board of Directors, executives and employees to strictly follow.
9. Determine the management structure, and have the authority to appoint and determine the scope of authority and duties of the Executive Committee, Managing Director, and other sub-committees as appropriate.
10. Annual performance appraisal of the Chief Executive Officer (CEO)

## Board meeting

1. Arrange regular meetings of the Board of Directors of the Company for acknowledgment of the Company's operating results at least once every three months and may have additional special meetings as necessary. The agenda of the meeting is set and the meeting notice is sent 7 days in advance, and the minutes of the meeting are recorded, stored, certified, and verifiable.
2. Arrange for a discussion meeting among non-executive directors at least once a year to allow them to discuss strategies and operations of the Company independently of the management.
3. The Chairman of the Board of Directors and the Chairman of the Executive Committee have the duty to jointly set the agenda of the meeting by allowing other directors to participate in their consideration before adding the agenda and sending the meeting invitation.

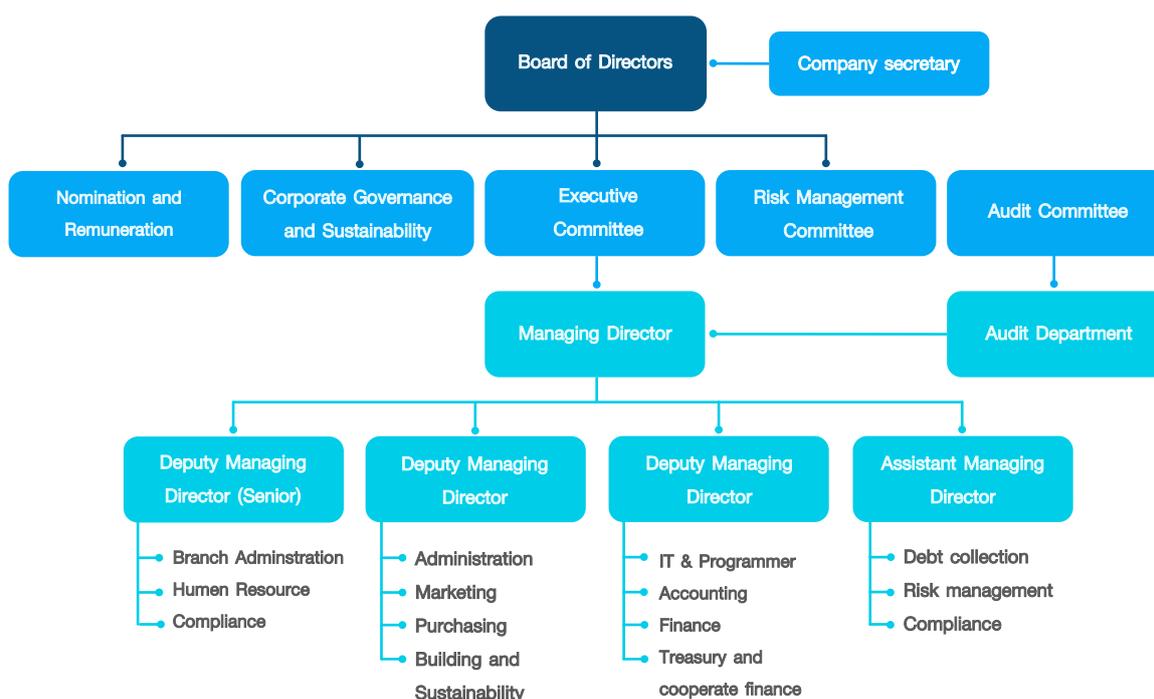
4. Directors have to attend the meetings, with the attendance of at least 75 percent of the annual meeting and the minimum quorum not less than two-thirds.
5. Minutes of the meeting specifying the date, and time of the beginning and end of the meeting, the names of the directors who attended and did not attend, the conclusions of the agenda, the issues discussed, and the recommendations of the Board of Directors. Including explanations of the management, and resolutions of the Board of Directors in detail, along with the signature of the chairman of the meeting. If any director is a stakeholder on any agenda, he or she will not participate in the consideration and will abstain from voting on that resolution, which the Company Secretary will inform all directors before the meeting.
6. Minutes of the meeting will be copied and sent to relevant internal and external departments within the specified period and can be stored as a reference document and verifiable. Meeting minutes cannot be edited without approval from the meeting.

**In 2022, a total of 8 Board of Directors meetings were held.**

**The attendance rate of the Board of Directors meetings is 100%.**

### Subcommittee

The Board of Directors has appointed sub-committees to help scrutinize important matters, comprising the Audit Committee, the Corporate Governance and Sustainability Committee, the Risk Management Committee, and the Nomination and Remuneration Committee. As for the management, it will be managed following the objectives, goals, and policies set by the Board of Directors. And there will be a unit to support the corporate governance system, namely the company secretary, risk management unit, compliance unit, internal audit, and organizational development for sustainability.



## Nomination and Remuneration Committee



## Role and responsibilities of the Nomination and Remuneration Committee

### Nomination

1. Determine criteria and policies for recruiting the Company's directors and sub-committees by considering the suitability of the number, structure, and composition of the Board of Directors. Determine the qualifications of directors to propose to the Board of Directors and seek approval at the shareholders' meeting, depending on the case.
2. Consider recruiting, selecting, and nominating suitable persons to serve as directors of the Company who have completed their terms or have vacant positions or for additional appointments.
3. Other operations related to recruitment as assigned by the Board of Directors.
4. Evaluate the performance of top executives to present to the Board of Directors' meeting for approval.

### Remuneration

1. Preparing criteria and policies for determining the remuneration of the Board of Directors and sub-committees for proposing to the Board of Directors and seeking approval at the shareholders' meeting.
2. To determine the appropriate remuneration for each member of the Board of Directors, we will conduct a thorough analysis of their individual duties, responsibilities, and performance with regards to Environmental, Social, and Governance (ESG) factors. The company will also compare the remuneration with that of companies in similar industries to ensure it is competitive and justifiable. Based on this analysis, we will propose a remuneration plan to the Board of Directors for their consideration and to the shareholders for approval at the annual meeting.
3. Responsible to the Board of Directors and tasked with providing explanations and answering questions regarding director remuneration during shareholder meetings.
4. Report on the policy, principles, and rationale for determining the remuneration of directors and executives, in accordance with the requirements of the Stock Exchange, and disclose it in One report (56-1)
5. Perform any other actions related to remuneration as assigned by the Board of Directors. When assigned by management or other departments, relevant information and documents must be reported or presented to the Nomination and Remuneration Committee.

**Corporate  
Governance and  
Sustainability  
Committee**

**Role and responsibilities of the Corporate Governance and Sustainability Committee**

To achieve sustainability for all stakeholders, the company established the "Corporate Governance and Sustainability Committee" to manage the business under good governance while considering the organization's sustainability in various dimensions. This includes annually monitoring and evaluating environmental, social, and economic (ESG) operations to create value for the company as well as the Group of Companies' operations in the same direction.



1. Determine, review, and improve the framework of policies, strategies, and goals, including management related to sustainability, consistent with the Company's business operations annually to be in line with international practices and recommendations of institutions or related agencies.
2. Supervise the operations of the company following the corporate governance principles of the regulatory body.
3. Consider proposing good practices on corporate governance for the Board of Directors or proposing the determination of the Board of Directors regulations on such matters.
4. Propose the requirements of the Company's business ethics, operational guidelines for sustainable development, and best practices for executives and employees of the Company.
5. Encourage the spread of good corporate governance culture and participation in social activities, monitor compliance with anti-fraud and corruption measures.
6. Consider and approve related projects, including promoting and supporting activities.
7. Supervise, review, follow up, and evaluate sustainability performance.
8. Report progress and performance on corporate governance and sustainability to the Board of Directors.
9. Review and propose to the Board of Directors to consider revising the scope of duties and responsibilities of the Corporate Governance and Sustainability Committee following the situation.
10. Appoint a working group to operate in accordance with the policy.
11. Approve sustainability report

## Risk management committee



## Role and responsibilities of the risk management committee

1. Establish and review the corporate risk management framework policy.
2. Supervise and support the implementation of enterprise risk management in line with strategies and business goals, including the changing circumstances.
3. Consider the corporate risk management report and give opinions on possible risks, as well as determine measures to control or mitigate and develop an enterprise risk management system for the Risk Management and Internal Control Committee so that the management system is continuously effective.
4. A report on the organization's risk management must be presented to the board of directors for their acknowledgment, and in the event of significant factors or events that may have a significant impact on the company, such information must be promptly reported to the board of directors for their awareness and consideration
5. Determine the risk management policy and acceptable risk scope of the company to propose to the Board of Directors for consideration on overall risk management. This must cover risks in various areas such as strategic risk, liquidity risk, market risks, operational risks or other risks that are significant to the company.
6. Determine strategies, organizational structures, and resources used in risk management to be in according with the Company's risk management policy to effectively analyze, evaluate, measure, and monitor the risk management process.
7. Supervise, review and make recommendations to the Board of Directors on risk management policies, standard practices, strategies and overall risk measurements to ensure that risk management strategies are properly implemented.
8. Monitor compliance with anti-corruption measures, including risk management systems related to potential risks from corruption.
9. Perform any other duties assigned by the Board of Directors.

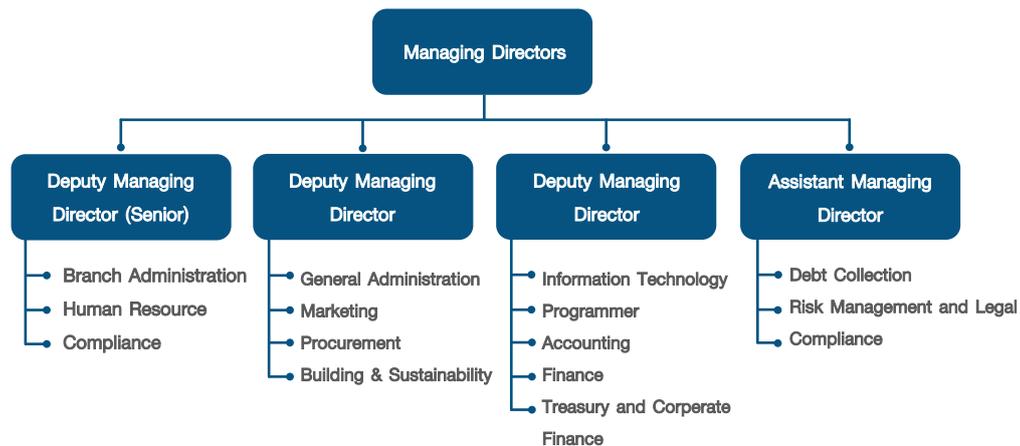
**Audit Committee**

**Role and responsibilities of the Audit committee**



1. Review the Company's quarterly and annual financial reports to ensure that are accurate and sufficiently disclosed.
2. Review the company's internal control system, internal audit system, and anti-corruption measures that are appropriate and effective, considering the independence of the internal audit department. as well as considering the appointment, transfer, termination of employment, and evaluation of the performance of the head of the internal audit department or other departments responsible for internal auditing.
3. Review the Company's compliance with the Securities and Exchange Act, the regulations of the Stock Exchange of Thailand, and the laws related to the Company's business.
4. Consider transactions that may have conflicts of interest following the laws and regulations of the Stock Exchange of Thailand to ensure that they are reasonable and provide maximum benefit to the Company.
5. Review and consider significant risks that have been detected with the management, including making recommendations for improvement.
6. Prepare the Audit Committee's report to be disclosed in the Company's annual report, which must be signed by the Chairman of the Audit Committee.
7. In the performance of duties of the audit committee, if found or suspected of transactions or actions that may have a significant impact on the financial position and operating results of the company, the audit committee shall report to the Board of Directors for rectification within the period that the Audit Committee deems appropriate.
8. Receive complaints, and report clues about fraud and corruption both from inside and outside that the personnel of the organization is involved. Investigate the facts as informed and present them to the Board of Directors to jointly considers penalties or solves problems according to the anti-corruption policy.
9. Summarize the Audit Committee's responsibilities for presentation to the Board of Directors.
10. Perform any other acts as assigned by the Board of Directors and with the approval of the Audit Committee.

## 1.3 Management



The management is responsible for managing various areas following the policies, strategies, and goals set by the Board of Directors.

### Roles and responsibilities of management

1. Propose goals, policies, and business plans including the annual budget of the Company to the Board of Directors for approval.
2. Supervise the Company's business operations following the policies, plans, and budgets approved by the Board of Directors.
3. Consider and approve operations that are business transactions of the Company, such as various investments according to the investment budget or the budget approved by the Board of Directors, etc., with the amount of money for each transaction according to the approved authority table from the Board of Directors
4. Consider approving the determination, amendment, and change of rules and regulations regarding credit approval, and credit schedule, including setting and amending fines and discounts.
5. Propose an organizational structure suitable for the Company's operations to the Board of Directors. Including considering approval of manpower rates that are not in the annual budget.
6. Consider the profits and losses of the company, interim dividend or annual dividend payment proposal to the Board of Directors.
7. The power to appoint or hire a consultant Related to the management within the company to achieve maximum efficiency.
8. Authorize the authorization of one or more persons to perform any act under the control of the Executive Board or may authorize such person to have power as the Executive Board deems appropriate. Appropriate and within a period of time that the Executive Committee deems appropriate. The executive committee may cancel, revoke, change or amend the authorized person or authorization as appropriate.
9. Perform other duties as assigned by the Board of Directors.

## 2. Preparation of good corporate governance policies and guidelines

In 2022, the Board of Directors has continually reviewed and improved the policy and monitored the performance according to the good corporate governance plan, including the community, social and environmental responsibility plan, at least once a year in line with the Principles of Good Corporate Governance for Listed Companies 2017 or Corporate Governance Code (CG Code) by the Securities and Exchange Commission (SEC) that consists of:



1. Realize the roles and responsibilities of the Board as an company leader that creates sustainable value for the business (Establish Clear Leadership Role and Responsibilities of the Board).
2. Determine objectives and main goals of sustainable business. (Define Objectives that Promote Sustainable Value Creation)
3. Adhere to fairness by treating all stakeholders equally and supervising, controlling, and preventing any decisions or actions that have conflicts of interest and related transactions based on the interests of the Company.

4. Recruitment and development of high-level executives and personnel management (Ensure Effective CEO and People Management)
5. Promote innovation and responsible business operations (Nature Innovation and Responsible Business).
6. Ensure that there is an appropriate risk management and internal control system (Strengthen Effective Risk Management and Internal Control).
7. Maintain financial credibility and information disclosure (Ensure Disclosure and Financial Integrity).
8. Encourage engagement and communication with shareholders. (Ensure Engagement and Communication with Shareholders)

The Board of Directors has established policies and guidelines for corporate governance of the Company, which are divided into 3 groups, namely policies and guidelines for directors and executives, Policies and guidelines for organizational management, and policies and guidelines for stakeholders.



### Policies and guidelines for directors and executives

The Board of Directors has established the corporate governance policy and business ethics for directors, executives, and employees as guidelines for all stakeholders. Announcements and communications have been made to employees for their acknowledgment, including disseminating them on the Company's website ([www.muangthaicap.com](http://www.muangthaicap.com)) to provide employees of the Company and related parties with knowledge and understanding of corporate governance principles to be in the same direction by adhering to transparency, fairness, accountability, and ethics in business operations. There is a practice that is consistent with the rules, regulations, and relevant laws. as well as being responsible for the economy, society, and the environment by setting guidelines to be a framework for operating and treating all stakeholders. as the following details

1. Committed to applying the principles of corporate governance, business ethics, and code of conduct to practice in the operations of the company to create sustainable value for the company.
2. Perform duties responsibly, cautiously, and honestly under the law, company regulations, and relevant notifications.
3. Adhere to fairness by treating all stakeholders equally and supervising, controlling, and preventing any decisions or actions that have conflicts of interest and related transactions based on the interests of the Company.
4. Adhere to and comply with the Anti-Corruption Handbook, do not violate intellectual property, respect laws and human rights principles.
5. Implement an appropriate internal control and risk management system, including accurate and reliable accounting and financial reporting systems.
6. Proceed to ensure that the Company's management structure has good corporate governance, with clearly defined powers and responsibilities of each committee and executives.
7. Morals and ethics are instilled. Create a good conscience, and treat employees with fairness. As well as striving to develop and upgrade the capabilities of personnel continuously.
8. Conduct business concerning the responsibility towards shareholders, stakeholders, communities, society, and the environment
9. Recognize and respect the ownership rights of shareholders and treat them equally.
10. Committed to excellence in business operations by adhering to customer satisfaction, listening and reviewing oneself to increase management potential, and always creating the best.
11. Proceed to ensure that information is disclosed in an adequate, reliable, and timely manner as long as it does not affect the legitimate interests of the Company.
12. Implement the most effective tax management based on good governance, tax risk management, and transparency.



## Policies and guidelines for organizational management

### 1. Risk management

- Create a risk form in line with a comprehensive management process.
- Organize workshops for all sectors to participate in risk determination.
- Preparation by conducting risk operations with simulations.
- Review risk management following the company's vision and goals.
- Monitoring and evaluating the results of risk management following the management plan.
- Arrange for reports on the results of risk management at all levels and all departments at least twice a year.
- Promote a culture of risk management and appropriate internal control in all departments in the organization.

### 2. Internal control

- Establish appropriate internal control systems and efficient accounting and financial reporting systems.
- Proceed to ensure that the Company's management structure has good corporate governance by clearly defining the duties and responsibilities of each committee and executives.
- Providing reliable financial reports and auditing, as well as providing an internal control system and an internal audit system that is sufficient and appropriate.
- Review the Company's internal control and internal audit system to ensure that suitable and efficient.

### 3. Cross transaction

- The Company prescribes market prices or fair prices for all transactions.
- Directors must disclose information on transactions that may have conflicts of interest or connected transactions or related transactions according to the regulations of the relevant authorities.
- Directors with related interests are prohibited from participating in the consideration of approval and in case of connected transactions. Allow the Audit Committee to attend and give opinions following the principles of good corporate governance and the criteria of the Stock Exchange of Thailand.
- Granting credits or investing in businesses in which directors are involved must be approved by a unanimous resolution of the Board of Directors' meeting without the director participating in the approval process and must set prices and conditions. Following the Bank's business practices and treating them as general customers.

#### 4. Anti-Corruption



In 2022, the number of cases of corruption was **0**

The Company has joined the Private Sector Collective Action Coalition Against Corruption (CAC) and has been officially certified as one of the business practices in line with good corporate governance principles. The company has established guidelines for anti-corruption to instill it as part of the company's culture as follows:

- Determine effective anti-corruption strategies.
- Provide whistleblowing channels that are easily accessible and have measures to protect the whistleblower.
- Transparent and fair audit process.
- Determine accurate, clear, and verifiable financial status reporting processes.
- Arrange an announcement showing the intention to oppose all forms of direct and indirect corruption.
- Provide training on good corporate governance, business ethics, and work practices.
- Refrain from giving gifts to executives or employees of the company on every festival.

#### 5. Preventing conflicts of interest

- Disclose and submit information about the Company and stakeholders to the Board of Directors.
- Avoid transactions that may cause conflicts of interest and do not take any action that conflicts with the Company's interests.
- Personnel must not attend the meeting, not participate in expressing opinions and approving the agenda on matters in that they have interests.
- Supervise and be responsible for ensuring that the Company has an appropriate internal control system, risk management, and fraud and corruption prevention system.
- The Board of Directors must supervise compliance with relevant laws and disclose information following related laws and notifications.
- provide a working system with continuous and reliable disclosure of important information by established rules.
- The Board of Directors and executives must report their interests related to the management when they first take office and report every time it change.

## 6. Whistle blowing

- All informed information is confidential and will not be disclosed to the public without consent.
- The details of clues or complaints must be reliable and clear enough to ascertain the facts for further action.
- The response time for complainants should not exceed 3 days after receiving the complaint.
- The processing time depends on the evidence received from the complainant, evidence and explanations of the complainant, but not more than 30 working days.
- Those who report clues or complaints will be protected.
- Complaint recipients and fact-finding investigators must keep relevant information confidential and disclose it as necessary, taking into account the safety and damage of the complainant and all stakeholders.



### Measures to protect whistleblowers or complainants

1. The company will keep the information and identity of the whistleblower or the complainant and the complainant as confidential.
2. The company will disclose information as necessary, considerate safety, and have a proper and fair remedial process for the victims.
3. The company will not take any action that is unfair to whistleblowers or complainants as well as related parties from all sectors.
4. The complainant or the person who cooperates in the fact-finding investigation can request the Company to provide appropriate protection measures.

## 7. Intellectual property

- The company does not support actions that violate intellectual property rights. Any software used in the company's work system must be authorized and legally copyrighted only.
- Employees must comply with all laws, regulations, and contractual obligations regarding valid intellectual property rights. Including patents, copyrights, trade secrets, and other proprietary information. Without violating the intellectual property rights of individuals.
- Employees who bring works or information belonging to third parties that have been acquired or to be used within the Company must be reviewed to ensure that they do not violate on the intellectual property of others.
- Employees who use the company's computers must use the software according to the license of the copyright owner and only those who have been authorized to use the company's software.
- Upon termination of employment, all intellectual properties, including works, must be returned to the Company regardless of the data stored in any form.

## 8. Public information disclosure

### Publicly disclose important information

Through the stock exchange website, company website or annual report.



### Disclosure of shareholding information

Including related transactions and interests of directors and executives.

### Deliver complete financial reports

Submit financial reports to the Securities and Exchange Commission within the specified timeframe.



### Appointment of auditors

The auditor's qualifications are not against the regulations of the Stock Exchange of Thailand and do not provide any other services to the Company.

### Establish an investor relations unit

For example, holding analyst meetings and presenting information to domestic and foreign investors.



### Company's financial statements

Unconditionally certified by an auditor.

### Trading of the company's shares

Set a policy for directors and executives to notify the company at least 1 day before buying-selling shares.



### Disclosure of information about directors

Consists of position, education, holding company shares, work experience and photographs clearly stated.

### Disclosure of directors' remuneration

Clearly disclose the remuneration criteria for directors and executives in the annual report.



### Attach great importance to stakeholders

There is always a meeting, providing information, and exchanging ideas with stakeholders.

In this regard, the disclosure of information is in accordance with the Personal Data Protection Act 2019, there is a process for managing the rights of the data subject, including having a Personal Violation Management (DBM) regulation.

## 9. Information security

- Information security structure within the organization consisting of
  - The board of directors
  - Auditors department
  - Information security department
  - Employees
- Executives of all departments are responsible for supporting and coordinating the implementation of the information security policy to ensure cooperation and compliance throughout the organization.
- Corporate information must be securely protected by all executives, employees, and third parties involved with the data, who must sign a confidentiality non-disclosure agreement.
- Arrange for Stress Testing once a year.

In 2022, the number of information security incidents was equal to

0

## Policy and Guidelines for Stakeholders

### 1. Policy and Guidelines for Shareholders

- The Company respects the rights of shareholders, investors, and all creditors equally.
- The process of shareholders' meeting is organized to support the equal treatment of all shareholders.
- Supervise shareholders to receive equal treatment and protect their rights.
- There are measures to prevent the directors and executives from using inside information for themselves or others in a wrongful way.

### 2. Policies and guidelines for creditors



- The Company has a policy to strictly comply with the conditions, contracts and commitments agreed with creditors.
- The Company has never had any disputes regarding the default of payment, whereby the Company has made payments to creditors following the agreed payment terms.
- In the case of being unable to comply with any of the conditions or causing a default in debt payment, creditors must be notified immediately without concealing the facts.
- Report accurate financial status and information to creditors.

### 3. Policies and guidelines for customers

- Provide a thorough assessment of the customer's ability to repay debt.
- Develop and design credit products that meet customer needs.
- Implement proper marketing promotion and do not induce unnecessary debt.
- Develop communication channels with customers so that customers can make comments, complain, or provide services through other channels such as hotlines, emails, and social media, including the Whistleblower Channel application.
- Operate business with responsibility for the rights of customers and do not take any action that would infringe the rights of customers.
- Recognize the rights of customers' personal information by establishing a policy to protect personal information and security of information systems as disclosed on the website.

#### 4. Policy and Guidelines for Partners

- Do not request or receive or pay any dishonest benefits in trading with partners.
- Inform the business plan so business partners can know the amount of products or services to be sold this year, including planning production and delivery to prevent subsequent problems.
- Strictly comply with the terms and conditions that have been agreed upon and pay the debts on time.

#### 6. Policies and Guidelines for Regulatory

The Company operates the business with a personal loan business license and a personal loan business license under the supervision of the Bank of Thailand. Including, providing fair customer service (Market Conduct) and reporting information to relevant regulators to be accurate, transparent, and timely.

### 3. Follow up for implementation

The Company has assigned the Corporate Governance and Sustainability Committee to regularly monitor and assess the performance of corporate governance by reporting progress and performance of corporate governance to the Board of Directors twice a year. As well as reviewing and proposing to the Board of Directors to consider revising the scope of duties and responsibilities of the Corporate Governance and Sustainability Committee following the situation.

### 4. Disclosure of the performance of the Board of Directors to stakeholders

The Board of Directors and all sub-committees must summarize their performance in the 56-1 One Report annually for transparency and assurance that the company's operations will achieve the objectives following the regulations of the unit and be able to create value for the company, which reflects the ability to do good corporate governance, social responsibility, environment as well as creating value for all stakeholders.

#### 5. Policies and guidelines for business competitors

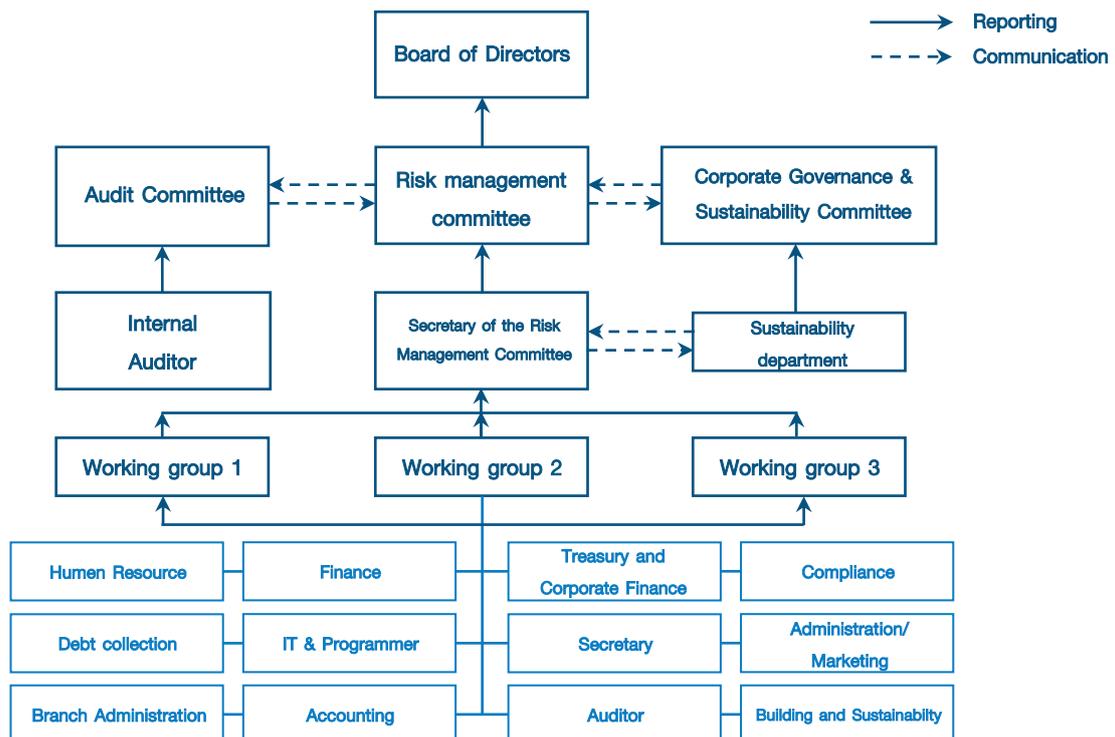
- Operate within the framework of good competition.
- Do not seek competitors' confidential information through dishonest or improper means.
- Do not damage the reputation of commercial competitors by making malicious accusations.

## 2.2 Enterprise risk management

Muangthai Capital Public Company Limited is determined to become a world-class organization by formulating risk management strategies that are in line with international guidelines and practices covering the entire financial business group to grow the business and generate stable returns.



### Risk management structure



The Company has a risk management structure that is internationally accepted, defining roles and responsibilities of the Risk Management Committee as well as related committees. At the present, there are reports to the Risk Management Committee in dual reporting at least twice a year. In addition, there is an internal audit department that performs duties independently and the executives set up a regulatory compliance department to make risk management more concise, use the concept of risk management that can supervise the company to achieve success according to the strategic plan, the roles and responsibilities of the Board of Directors must look at the overall picture of the Corporate governance, risk management, and regulatory compliance (Governance, Risk and Compliance, GRC) in order to drive the organization toward sustainability with value and promote efficiency in operations and operations.

**The board of directors**

Supervise risk management with efficiency and continuity

**Secretary of the Risk Management Committee**

Coordinate with directors or other departments Including being the highest responsible at the operational level. (Amornthep Pukang)

**Risk management committee**

Coordinate general risk management matters, including a comprehensive assessment of individual risks.

**Sustainability department**

Consider the organization risk management report and give opinions on risk issues.

**Auditor committee**

Conduct independent reviews.

**Internal audit department**

Conducting reviews to ensure proper implementation

**Working team & Employees**

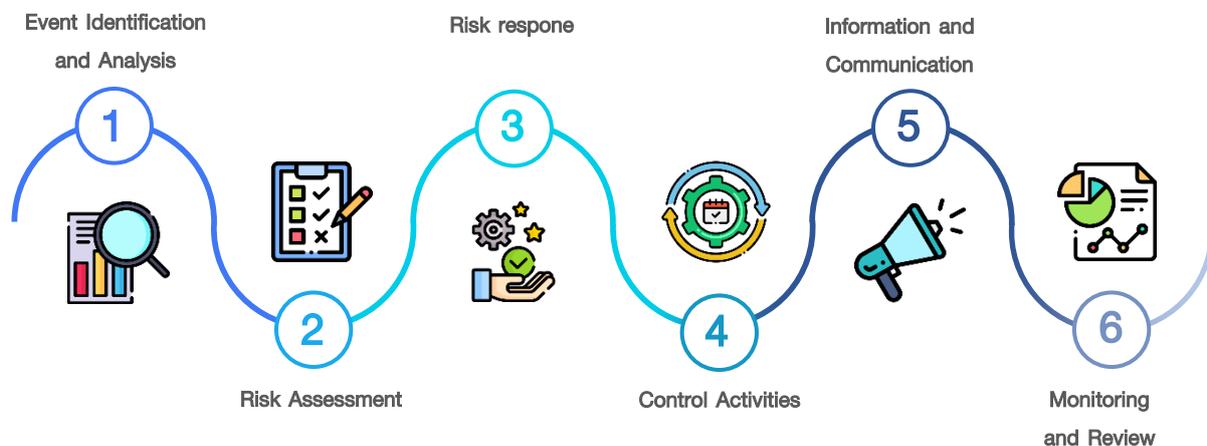
Identify and assess the risks that arise to their responsible departments, formulate contingency plans, and monitor results.

**Corporate Governance**

**& Sustainability Committee**

Coordinate and communicate to ensure efficient risk management considerations.

**Risk Management Process**

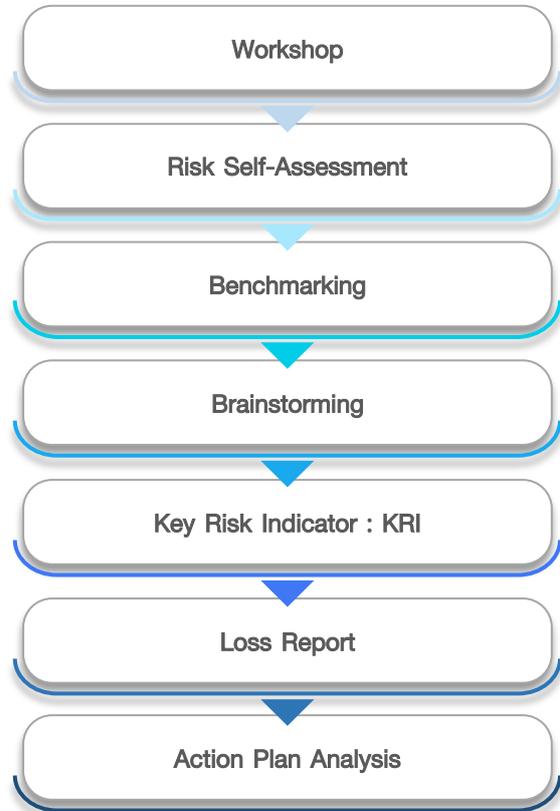


## 1. Event Identification and Analysis

The procedure for understanding the causes of risk exposure identifies events or process activities that may lead to failure, damage, and non-achievement of the organization's objectives/goals to clarify the risk identification. The company, therefore, classifies all 10 types of risks as follows:

1. Strategic Risk
2. Operation Risk
3. Healthy Risk
4. Policy and Compliance Risk
5. Financial Risk
6. Environment Risk
7. Community Risk
8. Image and Reputation Risk
9. Emerging Risk
10. Project Risk

### Event Identification and Analysis process



## 2. Risk Assessment

It is a damage assessment due to risks, consisting of 2 dimensions, namely "likelihood" and "impacts" with the following considerations.

Level	"likelihood"	frequency
1	Highly unlikely	Every 6-12 month
2	Unlikely	Every 3-6 month
3	Possible	Every 1-3 month
4	Likely	Twice a week
5	Highly likely	Once a week

Level	"Impacts"	Detail
1	Lowest	Damage value < 50,000 baht
2	Low	Damage value > 50,000 baht
3	Medium	Damage value > 200,000 baht
4	High	Damage value > 500,000 baht
5	Highest	Damage value < 1,000,000 bath

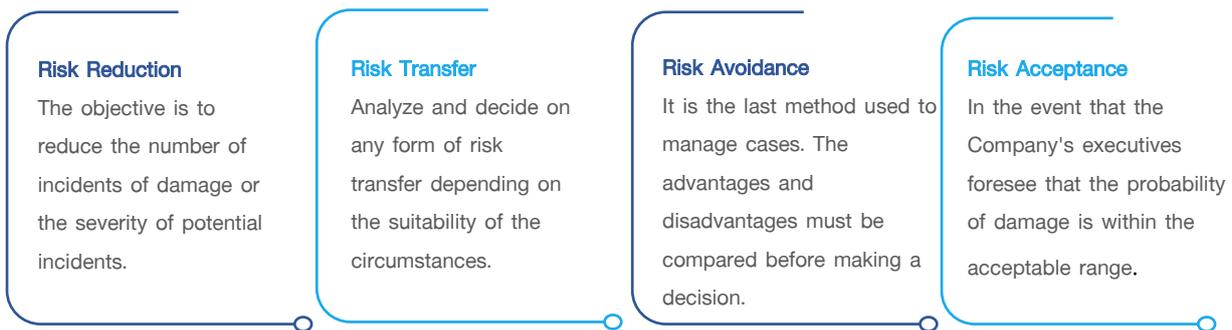
Take into account the risk assessment table as shown in the table below.

The risk levels can be divided into 4 levels for further consideration and management

Risk assessment	Possibility of risk to the organization					Estimated values of likelihood and impact	Risk level	Guidelines
	1	2	3	4	5			
Impacts	5	5	10	15	20	25	Low	Controlling risks requires no additional management.
	4	4	8	12	16	20		
	3	3	6	9	12	15	Medium	Prevent risk from moving to a high level
	2	2	4	6	8	10		
	1	1	2	3	4	5	High	Manage risks to keep them at acceptable levels.
							Critical	Manage risks to reach acceptable levels with urgency.

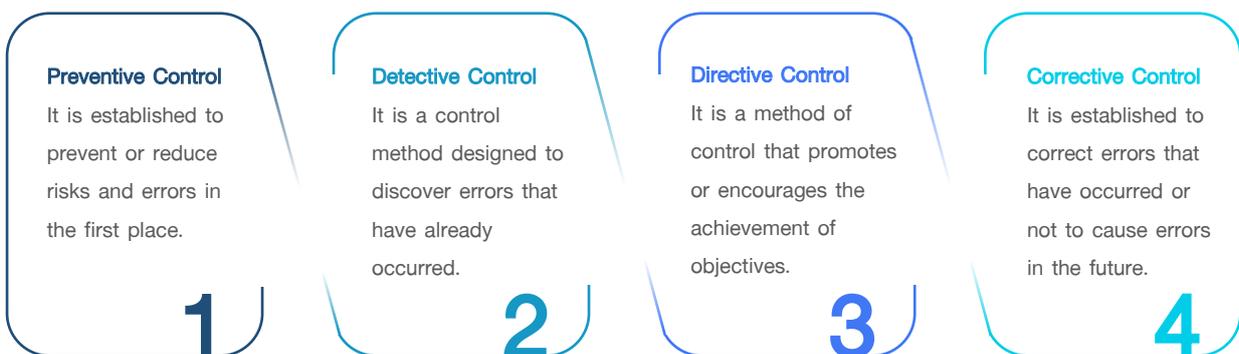
### 3. Risk Response

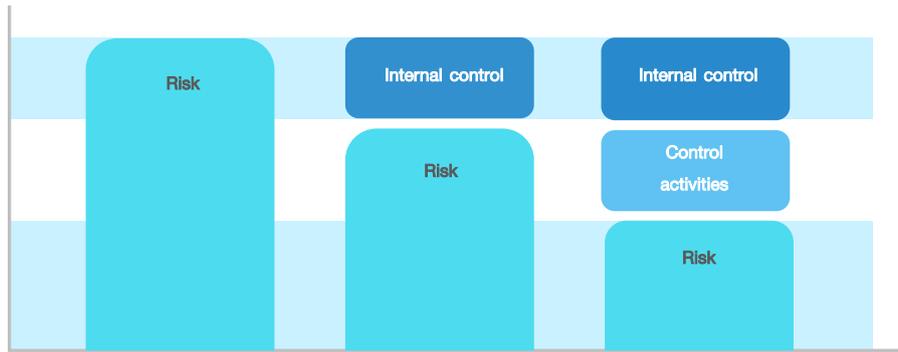
After the risk assessment, the company has 4 types of risk responses as follows:



### 4. Control Activities

Once appropriate risk response methods have been selected, risk control activities are established to ensure that risk is properly managed. In all aspects of the operation, there must be adequate control activities that are appropriate for the type of control which can be grouped as follows:





**Graph showing the correlation of risk and control activities.**

From the picture showing the relationship of risks and control activities in addition to adequate internal control. Establishing additional risk control activities can also help reduce the level of risk to an acceptable level.

## 5. Information and Communication

Information and communication systems will be tools that management can use to convey governance policies and monitor the success of operations. Organizations must have effective information and communication systems. A good information system should consist of:

- User rights control.
- Backup system
- Linkage system
- User response

## 6. Monitoring and Review

In 2022, the Risk Management Committee held a follow-up meeting and discussing the risk issues for 2 times in which the Risk Management Committee has a follow-up meeting continuously and foresees that the company has solved the problems of significant risks in various areas until it has been reduced to the level acceptable to the business. In order to reduce the severity of the impact that may affect the business performance or goals, it is recommended to review the risk issues to be more consistent with the current situation.



The company's risk performance

Risk issues	Impacts	Risk assessment		Risk management plan	Performance		
		Impacts	Likelihood		KRI	Acceptable level	Result
<b>1. Number and quality of personnel</b>	Lack of competent personnel	3	4	Improve the recruitment process.	The ratio of retired employees and the number of employees required compared to new employees.	The ratio is no more than 1.	0.79
<b>2. Corruption</b>	Confidence in the company	4	2	Organize training courses to develop morality and ethics	The number of times the event occurred	0	0
<b>3. Development of technology for online debtor program and work system program</b>	Operational delays and difficult access	2	1	Recruiting personnel with expertise, training to increase the potential of employees.	Evaluation results of program user satisfaction	80%	91.25%
<b>4. Competition and new competitors</b>	The results did not meet the target.	3	3	Always improve products and business strategies.	Customer Satisfaction Outstanding Loan Balance	not less than 80% , growth not less than 30%	83.59% , growth 31.37%
<b>5. Operating expenses and staff expenses</b>	Increasing expenses for the company, the efficiency of generating income decreases.	3	2	Cash withdrawal ceiling	Operating Expenses to Earning Ability	increase of not exceed 5%	7% decrease
<b>6. Regulations, including laws and regulations from regulatory body.</b>	Confidence in investors	4	1	Regularly review and follow up the law	Number of times a dispute has occurred	0	0
<b>7. Domestic interest rate hikes</b>	Higher cost	2	1	Provide alternative funding sources	New interest ratio to old interest ratio	increase of not exceed 5%	3% decrease

Risk issues	Impacts	Risk assessment		Risk management plan	Performance		
		Impacts	Likelihood		KRI	Acceptable level	Result
<b>8. Disaster</b>	Operation interruption	4	1	Provide a working group to deal with the impact.	The number of times affected	not exceed 2 times	1 time
<b>9. Cyber Threats and Data Theft</b>	Loss of investor confidence	4	1	Provide expert personnel, increase whistleblowing channels	The number of times the attack occurred	0 time	0 time
<b>10. Epidemic</b>	Operation interruption	1	5	Provide a secure, adaptive defense system using technology.	The number of times affected	0 time	0 time
<b>11. Insufficient financing</b>	Causing delays in business development.	3	3	Sale of debentures and funding sources in various institutions	The ratio of cash inflows and outflows	not less than 1	1.18
<b>12. Robbery</b>	Corporate Property Damage	1	5	Reduce cash collection in the branch	The number of times the incident	0 time	1 time
<b>13. Carbon Tax</b>	Increased operating costs	1	1	Raising awareness among personnel	Productivity value	Increasing of no less than 10 percent	2.76 percent increase
<b>14. The delay in the break-even point in some branches</b>	The results did not meet the target.	3	2	Review and adjust the business plan to suit each area.	review of the action plan	At least once a year	1 time
<b>15. Increasing sales in all types of vehicle title loans</b>	Higher NPL rate	4	4	Selling NPL to other companies	NPL balance from selling credit	no more than 3%	2.91%
<b>16. Human Rights Violation</b>	Legal dispute and affect reputation	4	1	Human Rights Policy and Guidelines	The number of violations that occurred	0 time	0 time
<b>17. Occupational health</b>	Cause health damage to employees	3	1	Occupational health policy and practice	The number of accidents that lead to lost time	0 time	5 times

## 7. Risk Analysis

### 1 Number and quality of personnel

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Nowadays, the microfinance business group is more competitive. Recruiting personnel to work in the company's branches including the development of personnel to be able to work efficiently according to the goals. Therefore, it is a great challenge to retain qualified personnel and sufficient numbers for the company. Accordingly, satisfaction and engagement assessments have been arranged, as well as employees' potential development training to create opportunities and motivation to work. Prepare employees for their own career advancement and stability through such programs. Compared to the number of new employees in 2022 at 0.79, which is considered an acceptable value according to KRI.

### 2 Corruption

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The company is aware of the possibility of corruption among employees because the company's credit service is a loan service for retail customers with a low average amount per contract. In order to conduct business with efficiency, transparency, and accountability, the Company has put in place strict measures to prevent damage that may occur from employee corruption by continually reviewing the causes and rates of corruption among employees by setting up a system to prevent corruption. internal audit control There is a monthly audit or the implementation of the SAP operating system to increase operational efficiency and reduce the risk of corruption. In addition, the company has organized training to develop morality and ethics for employees. There are reviews and anti-corruption policies to be disseminated and emphasized through various channels within the organization such as journals or sermons on various occasions. as well as increasing channels for complaints of corruption so that employees and other stakeholders of the Company can access and report incidents more easily. However, if it is found that the employee is actually corrupt, the company will take action to make that employee responsible for the damage caused and punish according to the highest regulations of the company and prosecute the employee who commits the corruption to the utmost.

### 3 Development of technology for online debtor program and work system program

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Currently, customers have a wide range of credit services to choose from. With the declining market share, the Company faces more challenges in business competition. Operational development is therefore one of the most important strategies to maintain the old customer base and attract new customers to use the service. Including developing technology to be able to work quickly and efficiently, the company, therefore, organizes training for relevant staff to increase their knowledge in improving and developing programs by improving the system at least 2 times a month. Including recruiting third parties with specific expertise to join in improving the company's program so that customers can access services through online channels more conveniently. In addition, satisfaction with the use of the program has been assessed and followed up on a regular basis. In 2022, there was a satisfaction assessment on the use of the program on a regular basis every month, and found that there were 91.25% of people who took the assessment, regarded it as an acceptable value.

### 4 Competition and new competitors

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Nowadays, there are many microfinance businesses in the industry, resulting in intense competition in the industry in terms of technology, branch expansion, product expansion, microfinance, as well as price competition in the future. There is always preparation to deal with, reviewing, adjusting strategies, operating plans, and emphasizing excellent service in order to be ready for strong competition in the industry in the future. Strictly comply with the rules and regulations related to providing fair services to customers (Market Conduct) in order to reduce conflicts and unequal customer service. Existing customers return to use the service again and tell new customers (Snowball Effect) There is also a plan to increase branches by accelerating the expansion of areas to facilitate customers to be able to use the service more easily and to inquire about the satisfaction of the people towards the company's services in order to improve and create new products in the future In 2022, the results of the customer satisfaction assessment were 83.59 percent, with outstanding loans of 120,613 billion baht, an increase of 31.37% compared to the previous year.



## 5 Operating expenses and staff expenses

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With more than 30% business growth through branch expansion, it leads to the expansion of the customer base, the increase in the number of employees, as well as the increase in the minimum wage from government policies and the development of technology into the operational process, including various external factors such as the cost of gas, electricity, and water, which adjusted according to the economic situation. These factors all cause the operating expenses to increase the company has controlled the expenses to follow the growth by setting various measures as operational guidelines, such as defining a ceiling of the cost of using resources, and procurement measures for the increase in product prices. In 2022, the cost-to-income ratio was 0.40, down from 2021 (0.43) 7%, which followed the target. It had set to increase by no more than 5% per year.

## 6 Regulations, including laws and regulations from regulatory body

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The Company's main business is providing vehicle title loans under the supervision of regulators such as the Bank of Thailand (BOT), and the Securities and Exchange Commission. (SEC) and the Office of Insurance Commission (OIC). The company, therefore, needs to comply with the rules and regulations of various agencies such as setting interest rates, protecting personal information, reporting corporate information to the Bank of Thailand, etc. These regulations are likely to change over time. Failure to comply or incomplete compliance may affect the Company's reputation and result in fines or revocation of licenses. Therefore, there is a

continuous review and monitoring of external laws in order to be adjusted to be in line with the operations within the organization. There is a training, including a knowledge assessment test to know the rules and regulations used within the organization once a year. In addition, there has also been a position dedicated to taking care of this matter, as well as reporting to the management and all committees at least twice a year. In the year 2022, it was found that the company did not have any legal disputes.

## 7 Domestic interest rate hikes

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The company's main income is from interest income from lending which is charged at a fixed rate while the cost of borrowing the Company has interest rates depending on market volatility while borrowing. If there is a lot of volatility, it will cause the loan interest rate to increase while the Company does not adjust the interest rate, resulting in a decrease in the difference between interest income and interest expenses. At present, the company charges interest at a rate lower than the level set by the Bank of Thailand. If in the future there are additional financial costs or other burdens, the company can adjust the interest charge ceiling according to the cost. In addition, the company has increased the proportion of debenture funds to create a variety of funding sources and have more money from all sectors to reduce the risk of rising interest rates in the country, namely International Cooperation Organization. of Japan (JICA) and Sumitomo Mitsui Banking Corporation (SMBC), which reduced the cost of interest rates to 3.3% from the original in 2021 at 3.4%.

## 8 Disaster

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Disasters that occur today are increasingly severe, whether they are intentional man-made disasters or unpredictable natural disasters. Such a disaster could have a severe impact on the Company, causing widespread losses to people, property, the economy, and the environment. The company has arranged to communicate about environmental conservation and the impact of climate change in order to raise awareness among employees through various channels such as the company's website, public relations boards, monthly magazines, etc. In the past, there was one flood event, but most branches were not affected in terms of service, so it was considered that there was no disaster.



## 9 Cyber Threats and Data Theft

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Nowadays, technology is constantly evolving, making cyber threats a threat that creates impacts in all sectors, including the economy, financial industry, financial institutions, and various financial service users. It may come in strange forms. And more difficult to detect although the Company's core operations are mainly based on physical collateral and cash transactions, the Company's customer storage and management systems are digital. As a result, the company collects information to develop a more efficient protection system, as well as organizes training for personnel in relevant sectors to continuously develop their capabilities to keep up with technology at least once a quarter. as well as providing additional channels for whistleblowing, communication channels with customers, and raising awareness among all employees on methods or new forms of cyber threats through journals and websites. Including having personnel and external organizations closely review the system to ensure safety. In 2022, there was no cyber attack incident.

## 10 Epidemic

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Pandemic risks are still considered important risks that companies and organizations around the world must continue to monitor and prepare to deal with because the outbreak situation is likely to occur again and may tend to intensify. This has a wide impact on society, the economy, and the operations of the company, both directly and indirectly. Therefore, there must be a process to deal with these risks. The Company has established a plan to continuously monitor the outbreak situation that may arise to quickly determine measures to cope with the

impact and reduce the extent of the damage. There are also plans to develop the Muang Thai Capital 4.0 application and online payment channels via banking applications to be able to support customer service even during the pandemic in the future. In addition, a call center, line OA, Facebook, and a website that is an online channel or a campaign to educate employees on hygiene and closely monitor the situation within the organization, as well as meetings to always find solutions. In the past year, the situation of COVID-19 began to decrease and the employees and the general public were able to adapt to the situation to a certain extent, so it did not affect the operation, with the growth of the company meeting the target.

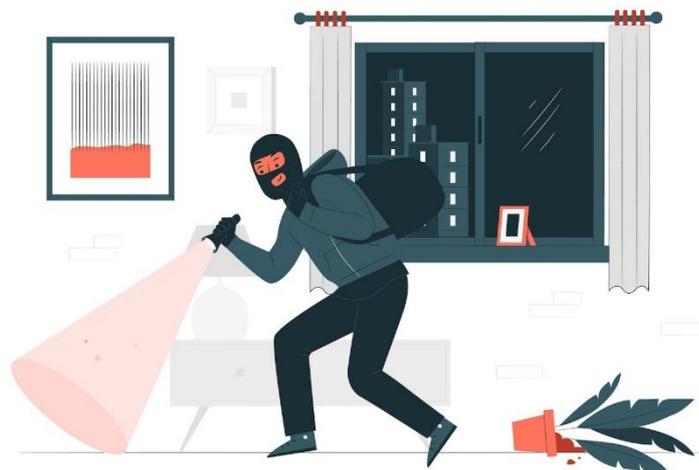
## 11 Insufficient financing

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Business capital is an essential part of business expansion. The Company has to consider the need for additional financing in the future to ensure business continuity and achieve objectives. In 2022, the Company sold senior unsecured debentures to the public four times, in the first round, the company offered to the public in the amount of 4,000 million baht in February 2022, the 2nd time in the amount of 4,964.30 million baht in June 2022, the third time in the amount of 4,852.70 million baht in August, the 4th time in the amount of 4,001.60 million in October, as well as helping to increase channels to access large funding sources that the Company can control risks in the future. The management of bills of exchange issued by the Company, and the remaining credit line from financial institutions is adequate. The Company also manages to have a longer-term debt ratio than short-term in order to prevent liquidity shortage and to have sufficient funds to meet the growth rate. Including seeking funding from more diversified foreign financial institutions. In 2022, the ratio of capital to total debt was 1.18, which is not less than 1 according to the target.

## 12 Robbery

Currently, the company operates its business following its mission by expanding branches to cover the entire country, but due to limited control of the company. As a result, the behavior of individual actions cannot be controlled. The Company, therefore, provides communication on morality and ethics to outsiders regularly to instill good conscience in nearby communities by presenting in the form of media such as Pamphlets, and posters. There are also measures to prevent office theft by instructing branches to reduce the collection of cash that could be a motive for the theft. as well as installing more than 3,000 CCTV cameras in main branches, sub-branches, and service centers to reduce the likelihood of incidents and damage to the company. However, in the year 2022, there was 1 incident of theft which exceeded the target of 0 incidents.



## 13 Carbon tax

At the present, the Excise Department has started to study the collection of greenhouse gas emissions or carbon tax. Thailand is another country that cannot be avoided this type of tax. Many countries in the world have started collecting such taxes. For this reason, it may result in higher costs and operating expenses for the company. Therefore, public relations were organized to raise awareness of the importance of resource utilization to personnel from all sectors through various channels such as journals and the company's website. In addition, data on the use of resources in operations was collected monthly to analyze user behavior and to improve measures to be appropriate in the future by setting goals based

on carbon efficiency compared to The growth of the company is not more than 10% per year during the first phase according to the business development plan.

## 14 The delay in the break-even point in some branches caused by branch expansion

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Analysis of the break-even point of a sub-branch or service center of a business must take into account the business competition situation that occurs today in the microfinance business, the market competition is high. As a result, the investment in some branches takes a long time to reach the break-even point caused by the loss of the branches or the operating costs of some branches that are too high for the business to be able to achieve the set break-even point, as well as to make employees realize and have guidelines for providing services to customers with willingness, the company, therefore, considers and reviews the operational plan or strategic plan in each branch at least once a year to reduce the chance of not being able to achieve the break-even point as specified. In 2022, the company emphasized the operation of each branch to achieve the set goals. In addition, one training course on break-even analysis was organized for relevant employees to shorten the break-even period to meet the set goals.

## 15 Increasing sales in all types of vehicle title loans

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In order to be able to meet the needs of customers and increase competitiveness, the company has the policy to increase the number of car title loan receivables. As a result, such credit limit must be set close to the amount approved by competitors, as well as uncomplicated credit approval criteria and non-asset collateral, resulting in the possibility of not being able to follow up and repossess the collateral as well as a higher ratio of bad debts (Non-Performing Loan: NPL) To reduce such risks, the company has a strict audit of customer information to reduce the chance of bad debt. In addition, at least one employee per branch was assigned to review customer information documents again to ensure customer screening or a bad debt purchase company to transfer the risk of uncollectible debt management, resulting in the year 2022, the amount of bad debt was 2.91%, which is lower than the target of 3%

## 16 Human Rights Violation

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Human rights are sensitive matters that the company has always given close attention to, whether it was recruitment or treatment of others. However, with changes in society and laws(Personal Data Protection Act). The operations of the company may result in the risk of human rights violations both directly and indirectly. To mitigate such risks, the Company has established a human rights policy and guidelines by considering all stakeholders of the organization, such as business partners. There is a fair use of labor, no youth labor, there are safety measures for customers, there are written measures to protect personal information, always monitoring service and employees satisfaction regularly. In 2022, there are no incidents of privacy violations occurring.

## 17 Occupational health

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Safety at work, including the working environment, is what the company gives importance to employees, personnel, and customers directly. Any omission in this section may result in health hazards or even death. The nature of the company's work is debt collection, resulting in accidents caused by employees' travel to collect the debt or travel to conduct transactions at branches. Therefore, the company has established policies and guidelines on occupational health and safety to prevent and reduce the tendency that may cause damage, such as creating a safety culture. There are regulations to supervise operations, including training on occupational health and safety for employees, an average of 4 hours/person/year. In 2022, there were 8 cases of work-related accidents, which exceeded the target (0 times).



## 2.3 Stakeholder's engagement

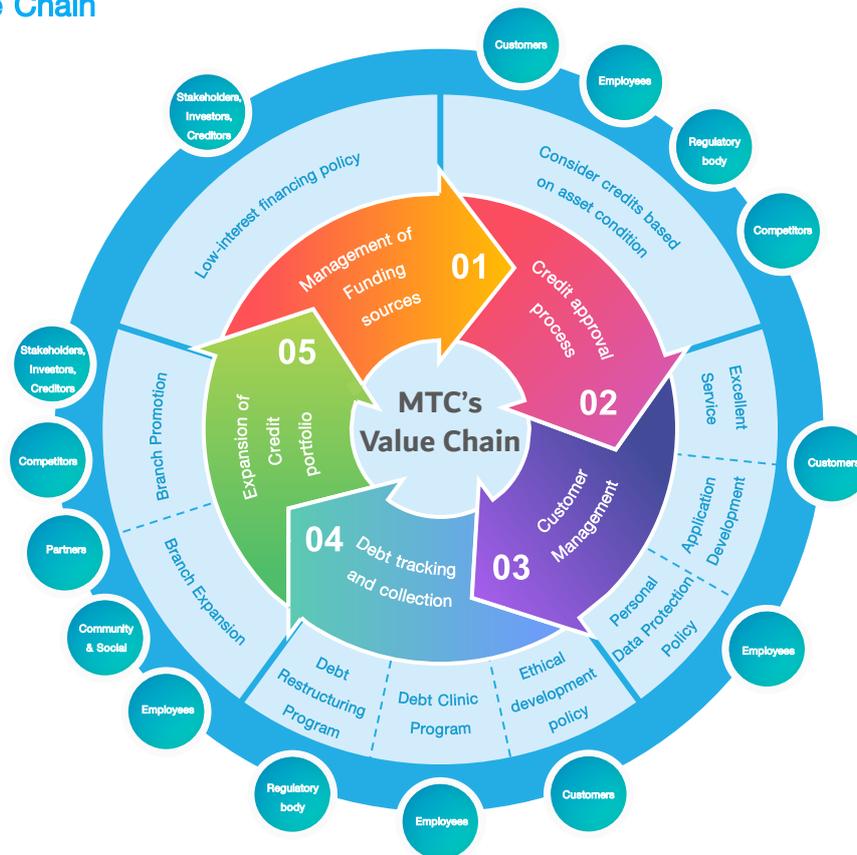
Stakeholder management enables the Company to understand expectations and needs, which helps the Company to determine issues related to business operations. This is one way to drive sustainable development. As well as being aware of the impact that the company has on the stakeholders, the company divides the major stakeholders into 7 groups as follows:



Stakeholders	Engagement	Expectation/Demands	Approaches for the operation
Customers	<ul style="list-style-type: none"> <li>- MTC Call Center 1455</li> <li>- Walk-in to customers service banches</li> <li>- Facebook: Muangthai Capital</li> <li>- Line-Official: @Muangthaicapital</li> <li>- Call center 02-4838888</li> <li>- Application 4.0"</li> <li>- customer satisfaction assessment form</li> </ul>	<ul style="list-style-type: none"> <li>- Fast credit approval process</li> <li>- Approved credit limit is appropriate.</li> <li>- There are convenient and fast payment methods.</li> <li>- Reduce interest rate/fees</li> <li>- Customer privacy protection</li> </ul>	<ul style="list-style-type: none"> <li>- Consider ESG throughout the loan approval process.</li> <li>- Expand branches to increase access to services.</li> <li>- Create a positive customer experience through excellent, inclusive and equitable service.</li> <li>- Respect customers' satisfaction, rights and privacy.</li> </ul>
Shareholders Investor and creditors	<ul style="list-style-type: none"> <li>- Annual General Meeting of shareholders (1 time per year)</li> <li>- Communicate through the stock exchange (Regular)</li> <li>- Opportunity Day (once in 3 months)</li> </ul>	<ul style="list-style-type: none"> <li>- Consistently good performance</li> <li>- Goog corporate Gvernance</li> <li>- To be a stable, transparent and sustainable organization</li> </ul>	<ul style="list-style-type: none"> <li>- Review and adjust strategies to suit the situation.</li> <li>- Good corporate governance</li> <li>- Manage risks in a concrete and efficient manner.</li> </ul>

Stakeholders	Engagement	Expectation/Demands	Approaches for the operation
Employees, Executives and the board of directors	<ul style="list-style-type: none"> <li>- Meeting (Once a month)</li> <li>- Company's website</li> <li>- Notification/Order</li> <li>- Employee's satisfaction questionnaire</li> <li>- Company's whistleblowing system</li> </ul>	<ul style="list-style-type: none"> <li>- Good working environment</li> <li>- Appropriate compensation and benefits</li> <li>- Good relationship between colleagues and supervisors.</li> <li>- Have balance between work and personal life</li> </ul>	<ul style="list-style-type: none"> <li>- Keep the workplace clean and tidy.</li> <li>- Build a strong company culture</li> <li>- Adhere to human rights principles</li> <li>- Human resource development within the organization</li> </ul>
Business partners	<ul style="list-style-type: none"> <li>- Email (Annual)</li> <li>- Visit (Only for new partners once a year)</li> </ul>	<ul style="list-style-type: none"> <li>- Collaborate in various operations for maximum benefits</li> <li>- Continuity of operation as an important part of the supply chain</li> <li>- Standard evaluation and selection criteria</li> </ul>	<ul style="list-style-type: none"> <li>- Supply chain management taking into account the impact on ESG</li> <li>- Determine the fair payment period for partners.</li> </ul>
Business competitors	<ul style="list-style-type: none"> <li>- Meeting of the car registration business trade association</li> <li>- Meeting of the personal loan business club</li> </ul>	<ul style="list-style-type: none"> <li>- Fair competition</li> <li>- Industrial upgrading together</li> <li>- Cooperate with associations/trade clubs of car registration/complying with the regulations of regulatory body</li> </ul>	<ul style="list-style-type: none"> <li>- Cooperation with the car registration lenders trade associations to jointly upgrade the industry</li> </ul>
Community and Social	<ul style="list-style-type: none"> <li>- Social Operation</li> </ul>	<ul style="list-style-type: none"> <li>- Take responsibility for community health and safety.</li> <li>- Consider the impact on society and the environment.</li> <li>- Strictly comply with the law</li> </ul>	<ul style="list-style-type: none"> <li>- Creating engagement between the company with the community through the CSR projects.</li> <li>- Conduct business with concern for society and the environment.</li> </ul>
Regulatory bodies (Bank of Thailand/Office of the Consumer Protection Board/Public Debt Management Policy and Supervision)	<ul style="list-style-type: none"> <li>- Email (Annual)</li> <li>- Meeting through trade associations/clubs for car registration/personal loan operators</li> <li>- visit (once per 2 years)</li> </ul>	<ul style="list-style-type: none"> <li>- Support policies and comply with appropriate rules (or exceeds the limit)</li> <li>- Management with honesty</li> <li>- Improve operational processes to be in line with policies and regulations</li> </ul>	<ul style="list-style-type: none"> <li>- Cooperation with regulatory body to upgrade the industry</li> </ul>

## MTC Value Chain



The Company's business operations focus on providing credit services to customers with efficiency. Therefore, stakeholders have been determined based on the value chain, which consists of 5 main processes, namely:

### 1. Management of funding sources (main)

Has a policy to recruit low-interest funding sources (secondary) from many financial institutions to be sufficient for business growth.

### 2. Credit approval process (main)

Loans are assessed through property-based (secondary) credit assessment methods instead of using customer income or credit bureau data to increase the likelihood of accessing credit sources.

### 3. Customer management (main)

There is a policy of developing experience by providing excellent service (secondary), application development (secondary) to increase operational efficiency, including a privacy policy (secondary) according to the relevant requirements.

### 4. Debt tracking and collection (main)

There is a policy on the development of industry ethics (secondary), including training on procedures for tracking and collecting debts that are correct according to the requirements of relevant agencies. The preparation of the Debt Clinic Project (secondary), and the BoT's Fah Som Project (secondary) to provide customers with financial liquidity and reduce bad debt problems that arise.

**5. Expansion of credit portfolio (main)** There is a process to maintain the existing customer base and increase the new customer base by expanding customer access by opening more branches to cover all areas of the country (secondary), including upgrading the branch status (secondary) to support and service customers efficiently.

## Partner management

Encourage business partners, including allowing them to plan production and delivery. To prevent problems with late delivery or insufficient stock for delivery, the company informs business partners in advance. In addition, the company has a policy to strictly comply with the conditions, contracts, and obligations agreed upon with creditors regardless of objectives, repayment details, and any other matters agreed upon with creditors by setting guidelines for funding source management. Establish the guidelines for capital management to create strong stability, give importance to financial liquidity management, and have a clear and timely debt repayment plan.

## Key partners

Number of business partners in 2022 is **101**

22 New suppliers representing **21.78%**

79 existing suppliers representing **78.22%**



## Guidelines for procurement

Good procurement practices must be considered from the criteria for selecting suppliers, business ethics for suppliers, processes for monitoring and evaluating suppliers, as well as the managing relationship with business partners to encourage business partners to grow with potential, leading to strong business partners with the Company in the long term.

### Criteria for selection of business partners

- ✓ It is a verifiable business.
- ✓ The price, quality, or performance is satisfactory.
- ✓ After-sales service, warranty
- ✓ No history of prohibition from corruption
- ✓ Comply with business ethics for partners.

## Code of Conduct for Business Partners

<p style="text-align: center;"><b>Business Ethics</b></p> <ul style="list-style-type: none"> <li>● Conduct business following the law with transparency and accountability.</li> <li>● Treat stakeholders fairly.</li> <li>● Maintain the privacy of stakeholders</li> <li>● Comply with intellectual property laws</li> <li>● Information is disclosed in cases that may lead to conflicts of interest.</li> <li>● Encourage suppliers to make responsible purchases.</li> <li>● There are inspections when mistakes related to suppliers are found after the delivery of the work.</li> </ul>	<p style="text-align: center;"><b>Human Rights and Labors</b></p> <ul style="list-style-type: none"> <li>● Respect differences and treat workers equally without discrimination.</li> <li>● Do not accept the benefits of forced labor and oppression of labor in any form.</li> <li>● Child labor underage is not used where appropriate protection is required.</li> <li>● There are appropriate and fair wages and compensation for employees and workers. Some benefits should be received as required by law.</li> <li>● Not hiring illegal workers.</li> </ul>
<p style="text-align: center;"><b>Occupational health and safety</b></p> <ul style="list-style-type: none"> <li>● Comply with laws and occupational health and safety standards.</li> <li>● Providing a safe working environment and equipment according to occupational health and safety principles.</li> <li>● Do not neglect actions in the workplace that may cause harm to employees.</li> <li>● There are preventive, corrective and remedial guidelines for occupational health and safety risks.</li> </ul>	<p style="text-align: center;"><b>Community and environmental management</b></p> <ul style="list-style-type: none"> <li>● Conducting business operations in compliance with national and local environmental regulations and laws.</li> <li>● Consider the impact on the community and the environment from business operations or affect the business.</li> <li>● The company encourages partners to use products, services, or processes that are friendly to society and the environment.</li> <li>● The Company encourages suppliers to be certified for sustainability standards related to their business processes.</li> </ul>
<p style="text-align: center;"><b>Implementation of business ethics</b></p> <ul style="list-style-type: none"> <li>● Suppliers shall promote and support the fair implementation of this Code of Conduct to employees/laborers and subcontractors to create an environment of ethical business practices throughout the supply chain.</li> </ul>	

## 2.4 Tax operations

To reflect the values and practices that adhere to responsibility for all groups of stakeholders with fairness and transparency, the company has set tax policies in line with corporate governance principles and believes that compliance with tax policies strictly will make it possible to achieve sustainability goals.

### Tax code of conduct



### Tax Risk Management

Providing complete, accurate, and reliable information, the Company has established a Tax Control Framework based on risk management policies in line with internationally accepted principles (Best Practice). Adequate and effective control of tax risks by focusing on the accounting record control system related to all types of tax transactions.

In addition, the Company oversees tax and other risks through the risk management structure and audit committees to conduct tax risk management and review at least twice a year.

## 2.5 Business innovations for society and the environment

Business innovation development is one of the driving forces for business growth and competitiveness. The company is committed to creating innovations to improve the quality of life in society. Develop potential and grow your business with minimal impact on the environment.

### Guidelines

1. Establish an innovation development unit for products and services, listening to the opinions of stakeholders to review and develop innovations.
2. Promote corporate values and culture that encourage employees to be creative.
3. Promote innovation development that creates value for the business, economy, society, and the environment.



### Creation of innovation for sustainability

#### 1. New product “Muangthai Pay later”

In order to meet all the needs of customers in 2022, the company therefore issued pay-later loans or loans to buy first, pay later, divided into 2 groups:

**Group 1**                      pay-later loans, general goods, credit line 1,000 – 40,000 Baht

**Group 2**                      Pay Later Loan Agricultural Equipment Products, credit line 1,000 – 50,000 Baht

Customers can choose to pay in monthly installments from 6 to 60 installments as an alternative for those who wish to buy general products such as agricultural equipment, fishing equipment, electrical appliances, etc., but do not want to pay all products in cash at once.

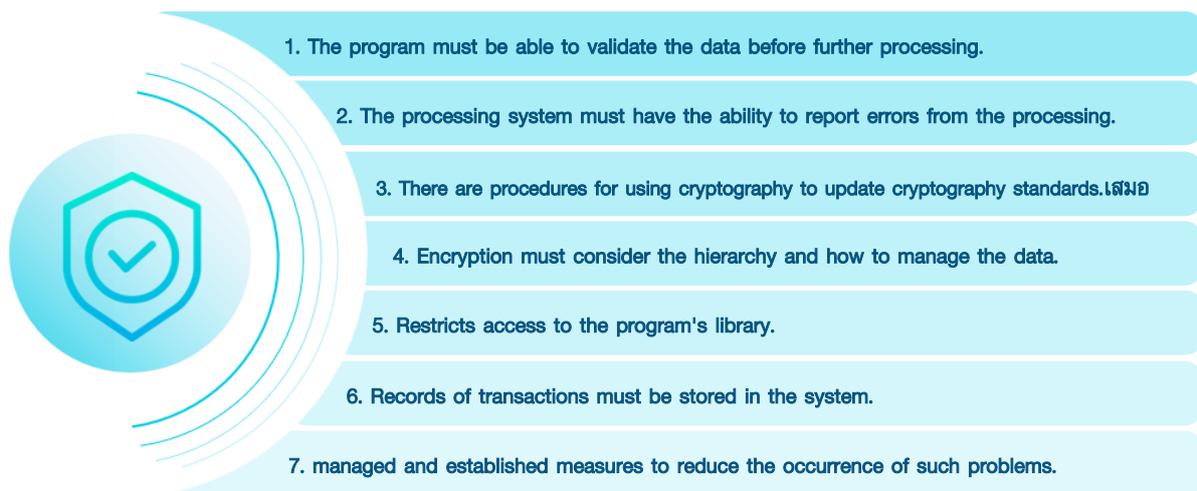
#### 2. Developing the application of Muang Thai 4.0

In 2022, there were more than 210% more user accounts for the Muang Thai 4.0 application compared to the end of 2021. The company always reviews suggestions from users to improve the process. For the Company's customers to receive more convenience and speed of service by cooperating with commercial banks, foreign banks, and specialized financial institutions in adding cross-bank bill payment channels via automatic teller machines and conducting financial transactions through electronic channels. In

addition, it has added a new marketing channel by updating new personal loan special offers through the application for easier access to customers.

### 3. Improve maintenance of information system security

In the modern age where digital technology plays a role and continues to evolve. Ensuring that the development of information systems takes into account safety and adequate control in line with current technological developments, the Company has considered the development of work systems, including the establishment of internal controls in work systems by establishing information security policies as follows:



### Stakeholder Engagement

Improvement and development of the operational process even further, including new products in the future, the Company arranges appropriate assessments from customers and employees, where relevant people can give feedback on the products, and operational processes as well as meet the expectations of all parties.

# SOCIAL

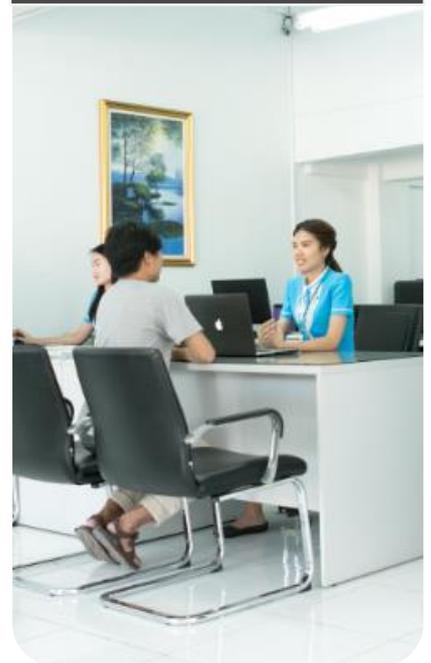
Because everyone has an important part to drive the company to grow forward sustainably. The company pays attention to all stakeholders by giving importance to customers, employees, business partners, human rights, and continually contributing to the society.



## Emphasize Customer

Aiming to create a good customer experience with excellent service as well as respecting the rights of customers

Prepare a customer satisfaction assessment form to improve the operational process.






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## Personnel Creation

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### Creating Quality Employees

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Improve the recruitment process. Develop human resources within the company, provide appropriate compensation and welfare, and build a strong organizational culture.




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## Protect Human Rights

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### Respect for Human Rights Throughout The Operational Process

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Establish policies for employees and executives to strictly follow on the basis of human rights guiding principles to business.




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## Return Society

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### Continually Contributing to The Society

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The company operates business with social responsibility, including stakeholders both inside and outside the chain of business by providing social projects on a regular basis.



### 3.1 Customers Centric by Operating The Business Responsibly

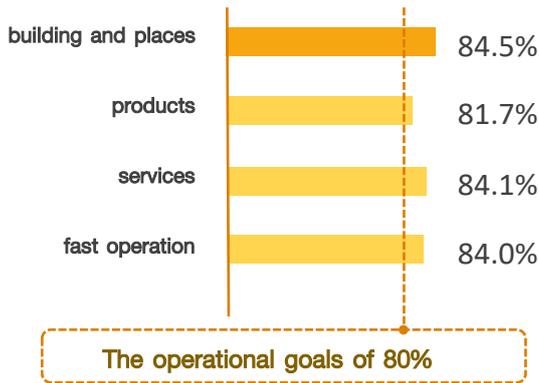
The customers play an important role to drive our company's sustainability. As a consequence, the company aims to create a good experience for the customers. We reserve a great service with care and respect to the customers rights to maintain an existing customer base and build more new customers by a suggestion from an existing customer base who is satisfied by the company's service. The factors affecting customer use of services will be considered thoroughly and has been used to set for the operation as follows.



#### Assessment of customer satisfaction in 2022

The assessment of customer satisfaction has an important role to analyze the products and services of the company for solving the problems, including employee operation improvement. Therefore, the Company conducts satisfaction assessment as an international standard. For accuracy in knowing the needs of customers, the company has an agreement to change the calculation method and will use this method as the basis for further satisfaction data collection.

### Customer Satisfaction Evaluation Results



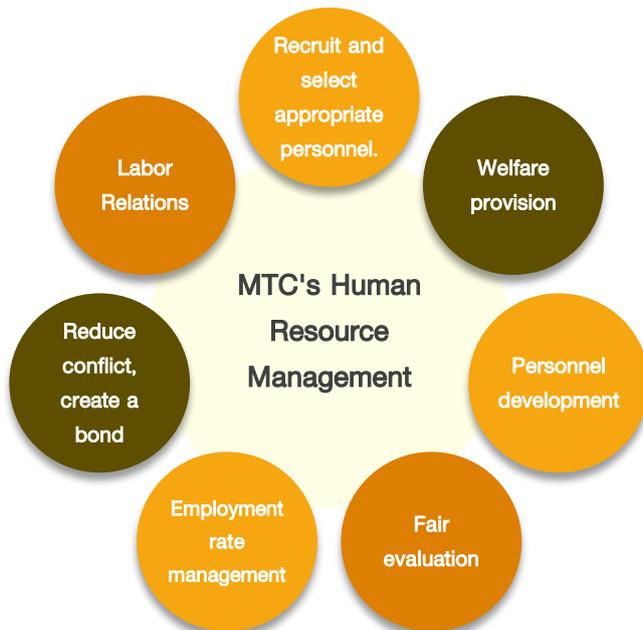
### Operational measures

- Sincere communication and consultation
- fast service
- service without discrimination
- product development
- the orderliness of the office

The result of customer satisfaction assessment of 2022 shows that the company received the highest score of 84.49% in building and places section, followed by the score of 84.14% with service. The overall average is 83.59% from the 80% of goals. The organization will use the assessment results to further develop and improve in various areas with the following 5 measures:

## 3.2 Human Resource Management

### Importance of Human Resource Management



The employees are considered as a center of driving the organization. The company focuses on managing human resources to have expertise in each area to be suitable for the position, pushing employees to grow according to the intended path as well as encouraging employees to work in a variety of jobs. Not only considering the ability of the applicant but also recruiting people with morals, ethics, good attitude towards work and a possibility to work with a team. These qualifications will ensure the company can operate the business systematically and efficiently.

## 1. Recruitment and Staffing

Employees are considered to be the main driving force for business. Therefore, the selection of personnel to work with the organization is an important step and has a huge impact on the organization. The company has a recruitment and selection process as follows.



### 01

Explore the needs of employees from all departments, as well as follow up on business expansion plans that include new branches or changes in operational processes.

### 02

Coordinate with the head of the department who requires an employee in order to set up the qualification criteria for the position in detail.

### 03

Job availability will be announced through the recruitment website by communicating clearly to applicants for acknowledgment of work details and responsibilities.

### 04

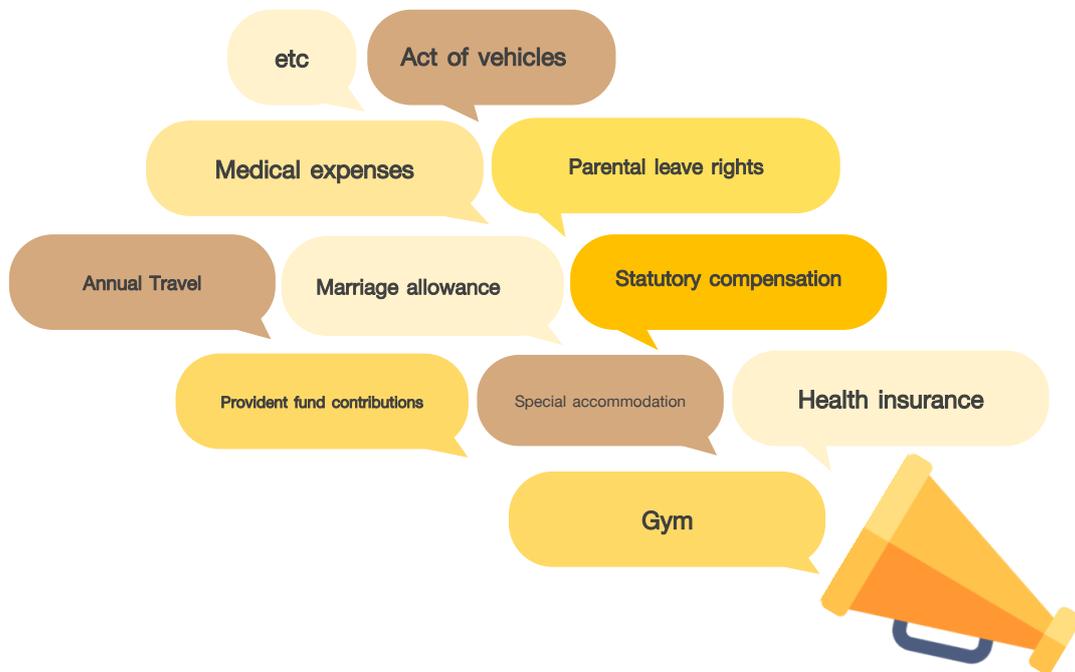
Carefully screen applications in all dimensions fairly and conduct interviews by selecting people with knowledge, competence, ethics and good attitude to qualify as the company specification.

### 05

Be a part of the development of the organization to achieve the set goals along with self-development and continuation of the knowledge gained.

## 2. Employee welfare and benefits

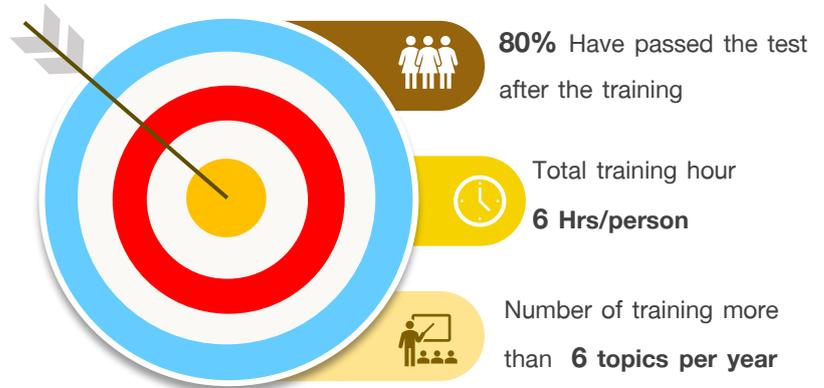
To motivate employees to work well and be able to work efficiently, the company therefore provides welfare and various benefits to personnel. In return for their intention to work, reduce employee concerns about the cost of living, able to work without worry, promote the health care of employees by providing a standardized exercise facility to accommodate employees inside the headquarters building, including a first aid room with full medical equipment, medical supplies, and medicines to assist personnel. The company also provides annual health check-up activities every year and organizes social activities, vacation trips and activities to strengthen relationships within the company in order to maintain good relations between employees and reduce stress that may arise from long hours of operation. Moreover, the company has been encouraging employees to collect money through the provident fund and legal severance reserves for employees who have been working for more than 20 years, so that employees have reserves for future expenses or have the burden of emergency loans as well.



In addition, employees in the organization can participate in offering various benefits and welfare that they prefer through various channels of the company, such as the Z-Thai website, internal meetings or recommendations through employee satisfaction assessment channels. The company will have a welfare committee to discuss and recommend guidelines for welfare management to the board of directors together with making decisions by value the interests of both parties, as well as disclose the minutes of welfare meetings to all employees on a monthly basis.

### 3. Training and Development

The company places great importance on personnel development to prepare for changes, increase work efficiency, and career path progression. An “employees training” is necessary activities arranged by the company for employees. In 2022, the company has organized a total of 7 training topics for employees.



Topics	Hrs/ Person	Number of participants	Number of qualified participants)	Benefits
Service	<b>3</b>	<b>12,143</b> ♂ 10,884 ♀ 1,259	10,399 85%	Understanding and service skills. A good attitude towards the service.
New employees	<b>6.3</b>	<b>3,043</b> ♂ 2,883 ♀ 160	2,275 91%	Understanding of business, policies, goals of the organization.
Leadership	<b>6</b>	<b>4,033</b> ♂ 3,721 ♀ 312	3,396 84%	Leadership skills and teamwork.
Branch managers	<b>15</b>	<b>55</b> ♂ 55 ♀ 0	55 100%	Employees management and creative problem solving.
Occupational safety and health	<b>4</b>	<b>11,488</b> ♂ 10,332 ♀ 1,156	10,361 90%	Understanding of safety, raise awareness among employees.
Risk management	<b>6</b>	<b>323</b> ♂ 227 ♀ 96	323 100%	Aware of risks, able to identify a level and effect of risks.
Human rights	<b>3</b>	<b>5,298</b> ♂ 3,944 ♀ 1,354	4,628 87%	Recognize the importance of human rights, reduce inequality.
Business ethics	<b>3</b>	<b>323</b> ♂ 227 ♀ 96	323 100%	Gain knowledge and understanding of business ethics.

#### 4. Employment rate management

##### Target

New hired **25%**

Resign **20%**

##### In 2022

New hired **31.4%**

Resign **16.9%**

By the operation of 2022, the company has set a goal of recruiting new employees to have a proportion of 25 percent compared to employees within the organization to provide job opportunities for talented people from all over the country and to accept people with disabilities in a practicable work position, including setting the resignation target to be less than 20 percent. However, the company has 3,599 new employees, representing 31.4% of the total employees, and there were 1,932 retired employees, representing 16.98%.

#### 5. Fair Evaluation

In order to proceed with effective and comprehensive evaluation criteria, the company has divided key performance indicators (KPIs) into 2 sets of data: the MTC Model for executive evaluation and the 360-degree evaluation for assessment of employees within the company to have skills, ethical morality, and appropriate attitude towards work, with 100% of all employees passing a 360-degree assessment with the following contents:



Key Performance Indicators (KPIs) are evaluated every year. It will be used as a basis for considering the compensation of employees in the company, divided into 3 levels: a 1-step increase will have a 4% increase in payment, a 1.5-step increase will have a 5% increase in payment and a 2-step increase will have a 5% increase in payment.

## 6. MTC employee satisfaction

The company conducts a satisfaction survey of employees every year. A questionnaire was prepared for 13,005 employees and a total of 12,593 people responded, representing 96.83% of the organization in 2022 with a **satisfaction level of 81.98%**. The areas with the greatest satisfaction are positive comments and views of your colleagues and supervisors, with a level of 87.8%. Followed by employees' satisfaction with continuing to work with the company on a level of 84.8%. With a target of 80%, the company exceeds the target.



## Employee Engagement

Organizational engagement is essential to the success and growth of an organization. The good feeling towards the organization, love, and confidence to embrace the organization's goals and values make employees willing to work to achieve the goals set by the organization effectively as well as wanting to maintain membership in that organization forever. In 2022, the employee engagement level was at 84.8%, with the promotion of employee engagement activities in the company, such as organizing sporting events within the district, annual travel, and organizing parties on various agendas, etc.

01

- Consider the appropriate wage rate.
- Choose people with positive attitudes, fit into the corporate culture
- Choose a person who does what they love and loves what they do.

02

- Always develop the potential of employees.
- Evaluation based on competence fairly.
- Appreciate and provide opportunity.

03

- Fair exit interview.
- Fairly considered the black list.
- Create a good impression between each other.

### Measures to keep employees in the organization (Labor Relations)

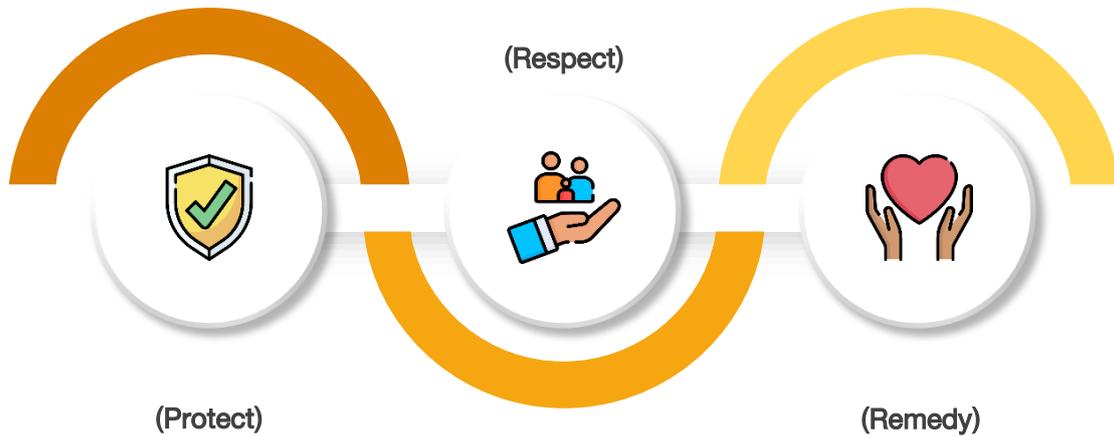
Since the organization has a variety of personnel. The company has been managing the conflicts that arise between employees, both conflicts in personal matters and in the matter of work. What can the company do in order to prevent or control it from happening and reduce the incident rate to a minimum.

For this reason, the company mainly focuses on building relationships between employees, which is an important tool to help everyone live together happily and with motivation, including cooperation in working as a source of efficient work. The main measure is to organize work as a team to communicate, cooperate, mutual assistance, and intimacy unity within the team.



### 3.3 Implementation of human rights within the organization

Human rights are fundamental rights of everyone, including stakeholders throughout the business value chain. The company provides supervision to prevent human rights violations in every step of the operation by setting a policy for employees and executives to strictly follow based on the United Nations Framework and Guiding Principles on Business and Human Rights (UNGPs).



#### Identification of risk issues

Issues related to human rights are sensitive issues and are linked to other issues that may have a downstream impact on business operations. Therefore, it is an important risk that will always be with the business operation. The company must identify the risks in such issues in the risk management of the organization to build confidence among all stakeholders.

#### Human rights policy

- Treat all parties equally.
- Do not violate the rights and liberties of stakeholders.
- Be careful in business operations to prevent the risk of human rights violations.
- Do not use and support partners who use all types of illegal labor.
- Communicate and publicize the policy to all stakeholders.
- Oversight of respect for human rights in every step of operation.
- Aim to create an organizational culture that adheres to respect for human rights.
- Provide a process for assessing and identifying human rights violation risks and potential impacts.
- Determine the maximum punishment for perpetrators of human rights violations, i.e. Disciplinary Layoff.
- Provide appropriate remedial measures to those affected by human rights violations.

## Enhancing to be a corporate culture

In 2022, The company provided training to educate employees and executives on human rights principles and add human rights topics to new employee training courses. In addition, it has been announced through the company's journal to create a corporate culture.

In 2022, there were  
Incidents of  
human rights violations.

0

## Remedial Measures

Although in 2022 the company did not find any human rights violations including complaints related to such issues. However, the Company provides channels for receiving complaints and provides for appropriate remedies for those who are affected. Both in monetary form, such as compensation for damages and non-monetary, such as the opportunity to listen to opinions, counseling for victims through various channels.



### 3.4 Work Safety Promotion

In order to support employee welfare care to ensure safety in life, a healthy life, and efficient work to be able to promote the creation of a safety culture for the business to operate sustainably. The company has established a policy on occupational safety, health and the working environment to raise employee understanding. Until becoming aware and leading to cooperation in complying with the following:



#### Occupational health policies

1. Build a safety work culture for employees within the company by developing a management system for safety, occupational health and working environment to be consistent with the law and in accordance with international standards.
2. Establish regulations to supervise the performance of employees to comply with the regulations set up within the company and come to safety by requiring all employees to wear helmets during their work.
3. Encourage employees and partners in operations on safety, occupational health and working environment.
4. Provide risk assessment and prevention of potential dangers in terms of safety, occupational health and environment by carefully setting up a plan to prevent and solve the risks rigorously.
5. The company promotes skills and educates employees on the importance of safety, occupational health and working environment by organizing training on safety and conducting fire evacuation operations for employees on a regular basis.
6. Determine a plan to follow up and evaluate the implementation of the policy on safety, occupational health and working environment set by the company in order to know the skill level of employees.
7. The Company has supported resources for development and conducting work on safety, occupational health and working environment.
8. The Company considers safety, occupational health and the working environment to be the responsibility of employees from all departments within the Company.

### Occupational Health Training Course

More than 88% of employees within the company have passed the training course on occupational health and safety in the workplace by an average of at least 3 hours per employee, which conform to the organization's occupational health operational goals, in order to be able to operate in accordance with the internal policy of the organization, strengthen the safety in the workplace and maintain the well-being of employees. Training course consists of topics such as safety in the office, safety in driving, fire evacuation, as well as practicing the actual operation inside the head office building.

#### Target

85% of employees have participated in the training at least 3 hrs/person/year and 0 accident



88%

of employees have participated in the training

90%



Have passed the post-training test

8



The number of accident in the working hour and 5 is the number of lost time injury

In 2022, The company has arranged to test knowledge and understanding in occupational health and safety for employees who have received training. The test shows 90 percent of the people passing the test and the number of accidents caused by work has increased to 8 incidents (from the original 5 incidents in 2021).

### Remedial measures for personnel affected by work

Business model of the company causing branch employees to travel to meet with customers on a regular basis. The company has established measures to remedy personnel in case of accidents as a guideline for the safety of employees and also consider life welfare of personnel and compensation after an accident.



Provide accident insurance for personnel.



Compensate for the income of the victim of accidents.



Cover medical expenses.



Enhance mental healing cultures.

### 3.5 Corporate Social Responsibility

#### MTC – No One Left Behind

“MTC – No One Left Behind” is a project that aims to help and support the community by constructing buildings for hospitals in various districts within Sukhothai Province. With the expectation to continuously give back to society in all sectors. For 2022, the 3rd Chitmetta Chuchat Daonapha Building was built and delivered to Ban Dan Lan Hoi Hospital, Ban Dan Lan Hoi District, Sukhothai Province, with 30 million baht worth, to be a dental center building and administrative work. The company has designed this building under the aims to reduce the burden on the hospital by designing the building with high ceilings, well ventilated, electricity save, and hygienic to improve the quality of life and facilitate medical personnel who are the main force in driving public health at the community level.



#### Blood donation

Blood is one of the 4 factors in which no compound or drug can be completely substituted for. Every second there are many patients who need blood. Therefore, blood donation is considered to give patients a chance to live a new life again. It is necessary to be responsible for the lives of patients, society and the nation. The amount of blood donated within the National Blood Service Center of the Thai Red Cross Society is insufficient to meet the needs of patients. This is the reason for the “Blood donation” project to be a part of the supply and donation of blood and be able to help fellow human beings. For this project, 432 employees in the company had participated, which represent approximately 170 liters of blood and can help over 1,290 patients and more than 15 diseases.

## MTC – Unite for the Community



With care and consideration for rural people who are far from the public health system. The company has launched the “MTC – Unite for the Community” pilot project based on a survey of the actual area and the needs of the Healthcare Hospital in Sukhothai Province. It was found that cars were unable to reach most rural areas because of the small roads around agricultural areas, rice fields are only convenient for motorcycles. In order to increase the opportunity to access the public health system and reduce the disparity of people in rural communities. The company has built 20 modified motorcycles worth more than 2.4 million baht to be given to 20 sub-districts.

## Weaving the Dream



“Weaving the Dream” project received cooperation from Science and Technology Park, Chiang Mai University. In the initiative to develop the potential of Thai farmers who raise bees in the northern region under the concept of "sustainable giving is to educate". The company provided financial support for the project in the amount of 1.5 million baht and organized a training course to develop knowledge on beekeeping technology, product development, financial and marketing knowledge for farmers to be able to increase the product value and sustainably sustain a career in agriculture and also able to be self-reliant in a sustainable way. This project had 2 groups of community enterprises, Phueng Pa Koi Community Enterprise from Chiang Rai and Phayao Bee Farm Enterprise of Phayao, with more than 50 beekeepers in the northern region participating.

# ENVIRONMENT

To support the organization's yearly growth of more than 20%, the company has set shared objectives for the most cost-effective and beneficial use of resources by establishing environmental management policies as a guideline.



## Realized Climate Change

Recognizing the possible consequences of climate change risks

Prepare countermeasures  
Disclose information  
following the international standards.






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## Goals Net Zero

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### Environmental management goals

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Establish plans and measures to achieve zero greenhouse gas emissions.




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## Policy Strategies

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### Policies, strategies and operational frameworks for effective resource management

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Determine measures to control the amount of resources used in operations in order to achieve the goals set.




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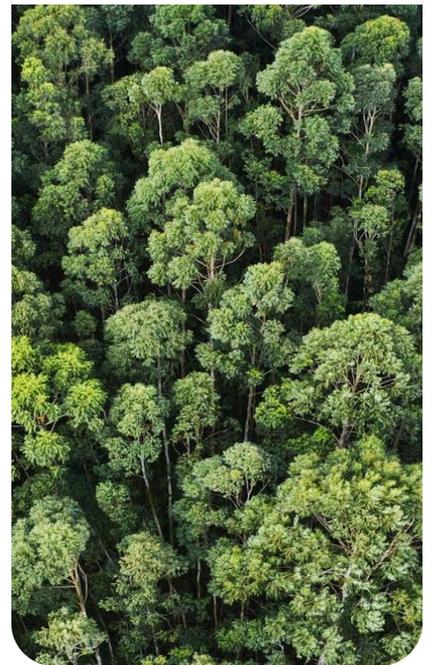
## Results Resources

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### Resource Management Performance

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Greenhouse gas emissions  
resource utilization



#### 4.1 Considering the consequences of climate change risk

Global warming causes climate change, causing seasonal variations and increasing temperatures. It affects all over the world in every dimension. Therefore, global warming is one of the factors that affect the Company's operations, causing flood, and various disasters and affecting the productivity of the agricultural sector which is the main customer base of business operations to manage global climate change related to the organization and sustainably manage the environment, the Company has accepted the international standard global warming management goals and has joined various charters to show the intention to preserve the environment, as well as to disclose information on environmental performance with transparency, completeness, and verifiability, leading to efficient environmental management.



##### Impact on the organization

- Customers in the agricultural sector are affected in terms of production. When income is less, resulting in reduced efficiency in debt repayment.
- Uncertainty from investors can result in a lack of liquidity, shrink profits and possibly additional costs from tax carbon.
- In the event of a disaster, employees unable to provide services at the branch, including the increase in electricity bills due to changing weather conditions.

##### Handling the consequences

- Improvement of the criteria for credit consideration.
- Set policies and measures to demonstrate the company's awareness and preparation for the consequences.
- The Muang Thai 4.0 application provides affected users to access the service without having to visit the branches.

## 4.2 Environmental Management Goals



### 4.3 Resource management and environmental conservation policies and guidelines

Manage the company's operational resources to increase efficiency while preventing negative environmental consequences at the corporate level. Also, it improves operations to decrease emissions that contribute to global warming and establishes the aim of becoming a Net Zero company, as well as encouraging workers,

According to the policy, the organization has established the following strategies and frameworks:



1. Collect statistics on energy consumption (including paper and water) for each district. Compile data to compare energy use and reports at meetings, as well as an environmental handbook, instilling and informing personnel on environmental conservation for the most effective use of resources.
2. Consolidated Purchasing (Head Office) due to a large volume of purchases Cost should be negotiated, and certified green materials should be used.
3. Encourage the utilization of standardized innovations, such as using renewable energy from solar energy by solar cells technology and paperless projects using E-Receipt technology.
4. Comply with environmental law standards while striving to go above and beyond.
5. Encourage environmental sustainability within the supply chain through supplier , Partners, including business associates are selected based on their environmental managerial expertise, environmental responsibility, and adherence to the Company's environmental policy.
6. Regulate global warming by researching strategies to decrease the organization's carbon emissions in accordance with international standards.

### 4.4 Resource utilization

Environmental performance in 2022 has set a metric for operational efficiency "Productivity" which can be calculated from the inverse of CO2 emissions equivalents and credit outstanding. (equivalent tons of carbon dioxide/million baht) by setting the productivity value to grow at least 5% compared to the previous year. And for the next year, let's set this Productivity value as one of the indicators of success (KPI), both short-term and long-term.

#### Fuel consumption management

Today, the Company's in-house operations are inevitably still powered by oil, coupled with its customer base expanding yearly, and the number of credits is increasing. As a result, oil consumption continues to increase. However, we still consider the impact of greenhouse gases that cause global warming and climate change. Therefore, the following oil management measures have been established.

**Goals**

The percentage of Productivity value Increased by **10**

In 2022, the percentage of consumption decreased from the base year. **80**

**Results**

**2,915,763.00** Liters

Compare to loan **24.17** Liters/MB

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GHG Emission **7,135.54** tonCO<sub>2</sub>e

increased 664.20 tonCO<sub>2</sub>e (from 2021)

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Energy intensity consumption **0.81** GJ/MB



A fuel expense limit has been set as appropriate for the operation.



Encouraging the implementation of electric vehicles in the operational process

	2020	2021	2022
Loan (Million Baht)	70,968	91,812	120,613
CO <sub>2</sub> emission (tonCO <sub>2</sub> e)	7,015.68	6,471.34	7,135.54
Compare to loan (tonCO <sub>2</sub> e/MB)	0.099	0.070	0.059
Productivity Value	10.12	14.19	16.90

Productivity value increased by 19.10% from 2021 to 2022, which was greater than the goal set.

## Electricity consumption management

Electricity is a vital source of energy for business operations. Organizations need electricity for almost every step of their operations. The growth of the organization and the increase in branches cause the amount of electricity consumption to increase, resulting in increased costs and more pollution.

### Goals

The percentage of Productivity value Increased by

**10**

In 2032, the percentage of consumption decreased from the base year.

**80**

### Results

**42,058,868.18** kWh

Compare to loan

**348.71** kWh/MB

GHG emission

**21,025.23** tonCO<sub>2</sub>e

Increased 2,978.08 tonCO<sub>2</sub>e from 2021)

Energy intensity consumption

**1.26** GJ/MB



Determine the headquarters' air conditioning usage period. There is a schedule to turn on and off in a routine and a sensor to turn on the air conditioner as appropriate.



A electricity expense limit has been set as appropriate for the operation.



Air conditioning must always be maintained on a constant schedule.

	2020	2021	2022
Loan (Millon Baht)	70,968	91,812	120,613
CO <sub>2</sub> emission (tonCO <sub>2</sub> e)	16,039.76	18,047.15	21,025.23
Compare to loan (tonCO <sub>2</sub> e/MB)	0.226	0.197	0.174
Productivity value	4.42	5.08	5.75

Productivity value increased by 13.19% from 2021 to 2022 which was greater than the goal set.

## Water consumption management

Water is one of the essential resources for living and doing business. Flooding and drought are currently affecting the ability to develop the economy and improve people's quality of life in some regions. Furthermore, the increased population has led to greater demand for water, resulting in Thailand experiencing a continuous water crisis. A water conservation campaign, as well as communication and public relations among all personnel to preserve water resources, with the following measures:

### Goals

The percentage of Productivity value Increased by

**10**

In 2032, water circulation capability at least

**60%**

### Results

**871.77** Megalitre

Compare to loan

**0.007** Meglitre/MB

GHG emission

**471.63** tonCO<sub>2</sub>e

^ Increased 224.3 tonCO<sub>2</sub>e

(from 2021)



Inspect the water-using equipment on a regular schedule; if there is damage, complete the repair as soon as possible.



A water expense limit has been set as appropriate for the operation.



Raise environmental consciousness among personnel. Realize how to fully utilize resources.

	2020	2021	2022
Loan (Million Baht)	70,968	91,812	120,613
CO <sub>2</sub> emission (tonCO <sub>2</sub> e)	-	247.33	471.63
Compare to loan (tonCO <sub>2</sub> e/MB)	-	0.0027	0.0039
Productivity value	-	370.37	256.41

Productivity value decreased by 30.77 which was lower than the goal set. Due to change in GHG Emission Factor for water from 0.2843 to 0.5410.

### Paper usage management

The organization's operations are still paper-based in order to support the business expansion of more than 20%. Of course, the consumption of paper will increase. However, the organization has measures to reduce and control the amount of paper usage in order to have the lowest indirect impact on the environment. The company has the following measures.

#### Goals

The percentage of Productivity value

Increased by

**10**

In 2032, the percentage of consumption decreased from the base year.

**80**

#### Results

**759,112.21** Kg

Compare to loan  
**6.29** Kg/MB

GHG emission

**506.86** tonCO<sub>2</sub>e  
Increased 80.31 tonCO<sub>2</sub>e  
(from 2021)



For the headquarters, there is a program encouraging personnel to use both sides of the paper, with a single-sided paper collection center available for all departments.



Develop an electronic receipt system (E-Receipt) following regulations and legal operational guidelines.



Use environmentally friendly paper products instead.

	2020	2021	2022
Loan (MB)	70,968	91,812	120,613
CO <sub>2</sub> emission (tonCO <sub>2</sub> e)	-	426.55	506.86
Compare to loan (tonCO <sub>2</sub> e/MB)	-	0.0046	0.0042
Productivity value	-	217.39	238.10

Productivity value increased by 9.53% from 2021 to 2022 which was lower than the goal set.

## Resource Consumption and Greenhouse Gas Emissions



Fuel consumption **2,915,763.00 Liters** (Increased 11.19%)  
 GHG emission **7,135.54 tonCO<sub>2</sub>e** (Increased 10.26%)  
 Compare to loan **0.059 tonCO<sub>2</sub>e/MB** (Decreased 37.37%)

Electricity consumption **42,058,868.18 kWh** (Increased 16.50%)  
 GHG emission **21,025.23 tonCO<sub>2</sub>e** (Increased 16.50%)  
 Compare to loan **0.174 tonCO<sub>2</sub>e/MB** (Decreased 7%)



Water consumption **871.77 Megalitre** (Increased 0.21%)  
 GHG emission **471.63 tonCO<sub>2</sub>e** (Increased 90%)  
 Compare to loan **0.0039 tonCO<sub>2</sub>e/MB** (Increased 51.85%)

\* Increase in greenhouse gas emissions due to changes in emission factor \*

Paper usage amount **759,112.21 Kg** (Increased 18.83 %)  
 GHG emission **506.86 tonCO<sub>2</sub>e** (Increased 18.83%)  
 Compare to loan **0.0042 tonCO<sub>2</sub>e/MB** (Decreased 4.55%)



The amount of resources used and the amount of greenhouse gas emissions in the Company's operations has increased due to the growth of the business through branch expansion and an increasing customer base. However, if comparing the amount of greenhouse gas emissions per outstanding loan, there is a tendency to decrease, indicating that although the company has grown more than 30%, overall, the use of resources is not as high as well due to Determining various measures and pushing for implementation in the operational process has clear responsible units. Nonetheless, the company remains committed to increasing efficiency in resource management, including applying new technologies in its operational processes, and monitoring and developing an environmental reporting framework to keep pace with international changes. The ultimate goal, both in the short term and in the long term, is to minimize the impact on the environment.

## Waste management

The majority of the **wastewater** produced by operations (head office) is from toilets and sinks. We have a wastewater treatment system that uses a Combined Biological Treatment System to take care of effluent. It's more effective than conventional activated sludge systems, ensuring that the treated water meets legal standards before being discharged into public water sources. Some purified effluents will be reserved for plant watering and firefighting functions.



Wastewater Treatment System



Water Recycling



**The company had also set a target of reducing waste from paper and vinyl signs by 5% by 2023.**

**Garbage** is categorized as general waste, infectious waste, hazardous waste, and electronic waste based on the color of the bin (toner cartridges and broken electronic devices which can be sold and recycled entirely) and waste that can be recycled. The municipality will be in charge of waste disposal. Moreover, the business To strengthen and instill a sense of responsibility for waste management among personnel, waste measures are also established, including clearly written penalties for noncompliance. It is in the process of developing procedures for correctly collecting, tracking, and disposing of waste. Bringing certain types of waste to add value, to begin a trial operation in the headquarters.



Waste Sorting



Instill Consciousness

### Consideration of the impact on biodiversity



Both the headquarters and branches are not located in areas prone to impacts on biodiversity with no impact on animals on the IUCN Red List and the process for selecting branch locations have a policy of selecting Areas that pose a risk to biodiversity or affect species listed as threatened or endangered species.

In addition, past business operations did not affect biodiversity. The company is also looking at protecting, rehabilitating, and developing the areas surrounding its branch offices including the head office by pushing for promotional activities such as planting activities with fewer plant species in that area, etc., with the aim of preserving the environment. fertile to enhance biodiversity including protecting the ecosystem.



Reforestation



Area Selection Policy

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# Appendix

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## Economic Operational Performance

Information	2022	2021	2020	Unit
Total income	20,068	16,019	14,733	Million Baht
Total administrative and operating expenses	13,709	9,817	8,216	Million Baht
Employee expenses	4,749	4,272	3,676	Million Baht
Costs of supporting and organization, association or sponsoring any activity	10.84	2.25	0.18	Million Baht
Other expenses	6,136.16	3,416	2,718	Million Baht
Tax expenses	1,267	1,256	1,303	Million Baht
Net profit	5,093	4,945	5,214	Million Baht
Total asset	128,066	98,390	77,222	Million Baht
Total liabilities	98,976	73,521	56,540	Million Baht
Total shareholders' equity	29,091	24,869	20,682	Million Baht
Return equity	18.88	21.71	28.45	Percentage
Return on assets	4.50	5.63	7.50	Percentage
Total market value	80,560.00	124,550	125,070	Million Baht
Number of branches	6,668	5,799	4,884	Branches
Audit expenses	4,800,000	4,330,000	4,000,000	Baht
Non Audit expenses	321,000	-	-	Baht
Cases of Whistleblowing	0	0	0	Case
Cases of Corruption	0	0	0	Case

## Social Operational Performance

### Number of employees

Gender	Age	Number (Persons)		
		2022	2021	2020
<b>Committees</b>		7	7	8
<b>Male</b>	< 20 years old	-	-	-
	20 – 29 years old	-	-	-
	30 – 39 years old	-	-	-
	40 – 49 years old	1	1	1
	50 – 59 years old	-	-	-
	≥ 60 years old	3	3	4
	<b>Total</b>	4	4	5
<b>Female</b>	< 20 years old	-	-	-
	20 – 29 years old	-	-	-
	30 – 39 years old	-	-	-
	40 – 49 years old	-	-	-
	50 – 59 years old	-	-	-
	≥ 60 years old	3	3	3
	<b>Total</b>	3	3	3
<b>Total employees</b>		<b>13,005</b>	<b>11,460</b>	<b>10,328</b>
<b>Senior Management</b>		<b>9</b>	<b>-</b>	<b>-</b>
<b>Male</b>	< 20 years old	-	-	-
	20 – 29 years old	-	-	-
	30 – 39 years old	-	-	-
	40 – 49 years old	1	-	-
	50 – 59 years old	3	-	-
	≥ 60 years old	2	-	-
	<b>Total</b>	6	-	-
<b>Female</b>	< 20 years old	-	-	-
	20 – 29 years old	-	-	-
	30 – 39 years old	-	-	-
	40 – 49 years old	-	-	-
	50 – 59 years old	2	-	-
	≥ 60 years old	1	-	-

Gender	Age	Number (Persons)		
		2022	2021	2020
<b>Female</b>	Total	3	-	-
<b>Executives</b>		<b>350</b>	-	-
	< 20 years old	-	-	-
	20 – 29 years old	-	-	-
	30 – 39 years old	240	-	-
<b>Male</b>	40 – 49 years old	87	-	-
	50 – 59 years old	19	-	-
	≥ 60 years old	-	-	-
	Total	346	-	-
	< 20 years old	-	-	-
	20 – 29 years old	-	-	-
	30 – 39 years old	1	-	-
<b>Female</b>	40 – 49 years old	2	-	-
	50 – 59 years old	1	-	-
	≥ 60 years old	-	-	-
	Total	4	-	-
<b>Division Head</b>		<b>50</b>	-	-
	< 20 years old	-	-	-
	20 – 29 years old	-	-	-
	30 – 39 years old	13	-	-
<b>Male</b>	40 – 49 years old	13	-	-
	50 – 59 years old	-	-	-
	≥ 60 years old	-	-	-
	Total	26	-	-
	< 20 years old	-	-	-
	20 – 29 years old	-	-	-
	30 – 39 years old	6	-	-
<b>Female</b>	40 – 49 years old	13	-	-
	50 – 59 years old	5	-	-
	≥ 60 years old	-	-	-
	Total	24	-	-
<b>Unit Head</b>		<b>4,176</b>	-	-
<b>Male</b>	< 20 years old	-	-	-

Gender	Age	Number (Persons)		
		2022	2021	2020
<b>Male</b>	20 – 29 years old	1,711	-	-
	30 – 39 years old	2,112	-	-
	40 – 49 years old	12	-	-
	50 – 59 years old	-	-	-
	≥ 60 years old	-	-	-
	<b>Total</b>	<b>3,835</b>	<b>-</b>	<b>-</b>
<b>Female</b>	< 20 years old	-	-	-
	20 – 29 years old	135	-	-
	30 – 39 years old	199	-	-
	40 – 49 years old	6	-	-
	50 – 59 years old	1	-	-
	≥ 60 years old	-	-	-
<b>Total</b>	<b>341</b>	<b>-</b>	<b>-</b>	
<b>Employees</b>		<b>8,420</b>	<b>-</b>	<b>-</b>
<b>Male</b>	< 20 years old	1	-	-
	20 – 29 years old	7,041	-	-
	30 – 39 years old	397	-	-
	40 – 49 years old	4	-	-
	50 – 59 years old	-	-	-
	≥ 60 years old	-	-	-
<b>Total</b>	<b>7,443</b>	<b>-</b>	<b>-</b>	
<b>Female</b>	< 20 years old	-	-	-
	20 – 29 years old	628	-	-
	30 – 39 years old	148	-	-
	40 – 49 years old	146	-	-
	50 – 59 years old	54	-	-
	≥ 60 years old	1	-	-
<b>Total</b>	<b>977</b>	<b>-</b>	<b>-</b>	

## Number of New hired employees in 2022

Gender	Age	Number (Persons)		
		2022	2021	2020
<b>New hired employees</b>		<b>3,599</b>	<b>2,096</b>	<b>1,627</b>
<b>New Hired Rate (percentage)</b>		<b>* 31.6</b>	<b>20.36</b>	<b>17.03</b>
<b>Male</b>	< 20 years old	3	-	-
	20 – 29 years old	3,334	-	-
	30 – 39 years old	6	-	-
	40 – 49 years old	-	-	-
	50 – 59 years old	-	-	-
	≥ 60 years old	-	-	-
	<b>Total</b>	<b>3,343</b>	<b>1,907</b>	<b>1,434</b>
<b>Female</b>	< 20 years old	-	-	-
	20 – 29 years old	195	-	-
	30 – 39 years old	32	-	-
	40 – 49 years old	29	-	-
	50 – 59 years old	-	-	-
	≥ 60 years old	-	-	-
	<b>Total</b>	<b>256</b>	<b>189</b>	<b>193</b>

## Number of resignation in 2022

Gender	Age	Number (Persons)		
		2022	2021	2020
<b>Number of resignation</b>		<b>1,932</b>	<b>1,016</b>	<b>920</b>
<b>Turn Over Rate (percentage)</b>		<b>* 16.98</b>	<b>9.87</b>	<b>9.63</b>
<b>Male</b>	< 20 years old	-	-	-
	20 – 29 years old	1,568	-	-
	30 – 39 years old	241	-	-
	40 – 49 years old	1	-	-
	50 – 59 years old	-	-	-
	≥ 60 years old	1	-	-
	<b>Total</b>	<b>1,811</b>	<b>920</b>	<b>853</b>
<b>Female</b>	< 20 years old	-	-	-
	20 – 29 years old	75	-	-

\* Compared with the total number of employees (December 31<sup>st</sup>, 2021)

Gender	Age	Number (Persons)		
		2022	2021	2020
Female	30 – 39 years old	24	-	-
	40 – 49 years old	16	-	-
	50 – 59 years old	2	-	-
	≥ 60 years old	4	-	-
	Total	121	96	67

### Occupational Health and Human Rights

Topics	2022	2021	2020
Cases of work injury	8	5	97
Hour worked (hours)	22,282,920	20,128,109	19,614,752
Lost Time Injury Frequency Rate (case/200,000 hour worked)	0.045	0.05	0.99
The rate of sickness until the point of absence from work (hours of leave/hours of work)	0.0014	-	-
Death from work-related injuries rate (case/200,000 hour worked)	0	0	0
Cases of Human Rights violation	0	0	0
Number of incidents of human right violence	0	0	0

### Leave rights

Information	2022	
	Male	Female
Number of employees with parental leave rights	-	1,349
Number of employees taking parental leave rights	-	72
Employees return to work after leave		
Parental leave (percentage)	-	100
Retention rate of employees after leave		
Parental leave (percentage)	-	100

**Rate of employees remuneration**

Information	2022	
	Ratio (Female:Male)	Rate of Remuneration
Rate of annual salary: Division Head	1:1	
Rate of annual salary: Unit Head	1:1	Company structure
Rate of annual salary: employees	1:1	

**Satisfaction**

Information	2022	2021	2020
Customer’s satisfaction rate (percentage)	*84.59	91.58	93.44
Employees’ satisfaction rate (percentage)	81.98	82.56	-
<b>Assessment of the performance of the board of directors (in person)</b>			
Board of Directors (percentage)	N/A	99.54	-
Individual director (percentage)	N/A	99.43	-

\* The company has changed the method of assessing the level of satisfaction, causing significant changes.

### Contribution to society

Project	Budget (baht)	Performance in Social	Performance in Economic
<b>Blood donation</b>	20,000	A total of 4,993 participants in the project, with a total blood volume of 1,997 liters, can help more than 14,900 patients.	-
<b>MTC-Inite for the Community</b>	2,442,400	Provided 20 sidecar motorcycles for 20 sub-districts to reach more than 10,000 households.	-
<b>MTC-No One Left Behind</b>	30,000,000	Dental Center and Administration Building for Ban Dan Lan Hoi Hospital to accommodate more than 1,650 patients/month	-
<b>Weaving the Dream</b>	2,000,000	More than 650 bee farmers have gained knowledge on how to extend their products to benefit.	The main products are <ul style="list-style-type: none"> <li>- Sleeping Mask, created a value of more than 200,000 baht.</li> <li>- Beeswax aroma candles, create a value of more than 380,000 baht</li> </ul>

## Environmental operational performance

### Resource utilization

Energy Consumption In the organization	2022		2021		2020	
	Energy (GJ)	Compare to loan (GJ/MB)	Energy (GJ)	Compare to loan (GJ/MB)	Energy (GJ)	Compare to loan (GJ/MB)
<b>Non-renewable fuel consumption</b>						
Diesel	44,034.05	0.37	40,127.03	0.44	37,261.54	0.53
Benzene/ Gasohol	53,726.93	0.45	*47,867.17	*0.52	46,554.49	0.66
<b>Different types of energy consumption</b>						
Electric power	151,411.93	1.26	129,965.40	1.42	115,509.39	1.63
<b>Total energy consumption</b>	<b>249,172.91</b>	<b>2.07</b>	<b>*217,959.60</b>	<b>*2.38</b>	<b>199,325.42</b>	<b>2.82</b>

### Energy concentration consumption volume in 2022

Energy type	Energy consumption concentration ratio			
	Compare to loan balance (GJ/MB)		Compare to workforce (GJ/person)	
Fuel	0.81		7.52	
Electric power	1.26		11.64	
<b>Total energy</b>	<b>2.07</b>	<b>Decreased by *13.03%</b>	<b>19.16</b>	<b>Increased by *0.74%</b>

### Water consumption

Water type	Water consumption (Megalitre)		
	2022	2021	2020
Tap water	871.77	869.96	987.32
Water withdrawal	0	0	0
Water discharge	695.73	-	-

\* The energy consumption of benzene/gasohol in 2021 was revised to 47,867.17 GJ, resulting in changes in total energy consumption and energy intensity in 2021.

\*\* In 2022, there are some data that are not calculated as carbon dioxide emissions because it is a flat payment case that cannot collect data as actual usage. For water consumption, it is 4.12% and Electricity consumption accounted for 0.41% of all data.

## Greenhouse gas emission

Scope/types	2022		2021		2020	
	Emission (tonCO <sub>2</sub> e)	Compare to loan (tonCO <sub>2</sub> e /MB)	Emission (tonCO <sub>2</sub> e)	Compare to loan (tonCO <sub>2</sub> e /MB)	Emission (tonCO <sub>2</sub> e)	Compare to loan (tonCO <sub>2</sub> e /MB)
<b>Direct and indirect greenhouse gas emission</b>						
<b>Direct greenhouse gas emissions (GHG SCOPE 1)</b>	<sup>2</sup> 8,241.07	0.068	6,471.34	0.07	7,015.68	0.10
<b>Indirect greenhouse gas emissions from energy consumption (GHG SCOPE 2)</b>	21,025.23	0.174	18,047.15	0.20	16,039.76	0.23
<b>Other amount of indirect greenhouse gas emissions (GHG SCOPE 3)</b>	1,069.29	0.0089	787.15	0.01	528.84	0.01
<b>Ozone (ODS)</b>	-	-	-	-	-	-
<b>Methane</b>	<sup>1</sup> 39,483.18 kgCH <sub>4</sub>		4,530.76 kgCH <sub>4</sub>		-	-
<b>SOX, NOX</b>	-	-	-	-	-	-
<b>Total</b>	<b>30,335.59</b>	<b>0.25</b>	<b>25,305.64</b>	<b>0.28</b>	<b>23,584.28</b>	<b>0.33</b>

## Note:

<sup>1</sup> In 2022, changes to the method of calculating Methane according to the IPCC 2006 led to significant changes.

<sup>2</sup> In 2022, for GHG Scope 1, the scope of calculating carbon equivalent emissions will be expanded to include methane from wastewater treatment. Therefore, it cannot be directly compared with the GHG Scope 1 of the year 2021.

## About this report

Muangthai Capital Public Limited has published this sustainability report, the 5<sup>th</sup> edition, following the sustainability report for the year 2021 to communicate the commitment in business operation in agreement with sustainability in economic, social and environmental dimensions to group of stakeholders. And the company will use all the information in 2022 to set targets for future operations.

## Scope of work

This report presents an overview of the operation of Muangthai Capital Public Company Limited in headquarter and branches across the country which covers operations from 1<sup>st</sup> January to 31<sup>st</sup> December,2021

## Reporting framework

The company prepares the sustainability report in according with GRI (Global Reporting Initiatives) standards and additional disclosure approaches for business groups striving to perform the operation corresponding to the 17 Sustainable Development Goals (SDGs) of the United Nations.

## Contact channels

If you have any question, you can ask for more information about this report at Buiding and sustainability department

Muangthai Capital Public Company Limited,

No. 332/1 Charansanitwong Road, Bang Phlat, Bangkok 10700

Telephone : 02-483-8800

E-mail : [service@muangthaicap.com](mailto:service@muangthaicap.com)

Website : [www.muangthaicap.com](http://www.muangthaicap.com)

## Complaint receiving channels

Website : <https://www.muangthaicap.com/th/contact.php>

E-mail : [whistleblower@muangthaicap.com](mailto:whistleblower@muangthaicap.com)

## Satisfaction assessment channels

Facebook : Muangthai Capital

Telephone : 1455 or 02-483-8888

## GRI Content Index

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**Customer care**

**Social development**

**Environmental conservation**

**Responsible for stakeholders**

**#Muangthai Capital sustainable organization**



**BUILD**



**FUTURE**

for sustainable world

Drawn by Thai youth who participated in the drawing contest on the topic of  
"Thai youth create the new sustainability world"